

PROCEEDINGS
OF THE
BOARD OF REGENTS
OF THE
STATE OF ILLINOIS

JAMES R. THOMPSON
Governor



July 1, 1977 - June 30, 1978

(Printed by authority of the State of Illinois)

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200 Copies—December, 1978

BOARD OF REGENTS

Officers

David E. Murray, Chairman
Dan M. Martin, Vice Chairman
Franklin G. Matsler, Secretary
William J. Keating, Treasurer
Richard G. Lim, Assistant Secretary-Treasurer*

APPOINTED MEMBERS	Term Expires
Michael J. Brady, Chicago	1979
Carol Kristen Burns, Chicago	1983
Dan M. Martin, Chicago	1981
David E. Murray, Sterling	1981
D. Brewster Parker, Lincoln**	1979
James M. Patterson, Olympia Fields	1981
Charles B. Shuman, Sullivan	1983
Eleanor R. Suggs, Phoenix	1979
Harry L. Wellbank, Crystal Lake	1983

NON-VOTING STUDENT MEMBERS (terms expiring June 30, 1978)

Richard Resnik, Northern Illinois University
Kimberly A. Theobald, Illinois State University
Jill Welander, Sangamon State University

* Elected December 1, 1977 to replace Carl Greeson.

** Replaced Guy V. Prisco who resigned November 14, 1977.

Dr. Franklin G. Matsler
Executive Director
616 Myers Building
Springfield, Illinois

PROCEEDINGS
OF THE
BOARD OF REGENTS

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SUMMARY OF BOARD OF REGENTS ACTIONS

July 28, 1977

PERTAINING TO THE REGENCY SYSTEM:

- Directed that the possibility of combining the March and April 1978 meetings be reviewed by the Board at the December 1977 meeting of the Board.
- Adopted amendments to Board Regulations relative to obligation of financial resources to conform with Title IX of the Education Amendments of 1972, Section 402 of the Vietnam Era Veterans Readjustment Assistance Act of 1974, and Section 503 of the Rehabilitation Act of 1973.
- Adopted amendments to Board Regulations relative to faculty contracts and official notifications of reappointment.
- Approved rates of compensation for the Executive Director and the members of the Central Office Staff, and renewed agreement for professional services with Giffin, Winning, Lindner, Newkirk, Cohen & Bodewes for FY78.
- Authorized amendment of existing lease with the Myers Families to provide additional space for the Central Office.
- Received the following reports: FY78 Salary Recommendations for Continuing Faculty and Administrative Staff; Semi-Annual Report of Investments; Quarterly Change Order Report; Legislative Report; Educational Television and the BHE ETV Commission; Cooperative Library Activities; Governor's Letter on Higher Education.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Report of the President, as amended, which included: University Calendar for Academic Year 1978-79 and 1979 Summer Session; Resolution authorizing establishment of a depository for Illinois Issues income; personnel transactions for faculty and other employees, including FY78 salaries for faculty and administrative employees; purchases; authorization to employ architectural and engineering firms in connection with master planning and consulting necessary for development and operation of the campus; authorization to enter into a one year agreement for leasing of student housing facilities; and authorization for the Executive Director of the Board of Regents to terminate an existing contract with IEC for lease/purchase of computer system, and approval of execution of a lease/purchase contract with a third party vendor for the equipment.
- Established the rate of compensation for the President of Sangamon State for fiscal year 1978.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Approved a Master of Liberal Studies Degree to be submitted to the BHE for review as part of the FY79 NEPR submission.
- Approved a Minor in Computer Science; a change in title from B.S. Degree with a Major in Secretarial Administration to B.S. Degree with a Major in Office Administration; retitling of Baccalaureate and Graduate Degree Programs in Physical Education; a Minor in Actuarial Science; a High Incidence Specialization within the M.S. in Education in Special Education; an Entitlement Program in School Psychology; and an Emphasis in Criminal Justice within the Bachelor's Program Major in Sociology.
- Ratified execution of a contract for legal services performed by the firm of Paul, Weiss, Rifkind, Wharton and Garrison in connection with matter of Filler vs. Holt, Rinehart and Winston, Inc.
- Approved the Report of the President, as amended, which included: 1978-1979 Academic Calendar; personnel transactions for faculty and other employees; FY78 salaries for faculty and administrative employees; collective bargaining agreement with AFSCME covering maintenance and food service workers at Lorado Taft Campus; payment of membership in Mid-American Conference; use of North American Credit Service, Inc. during FY78 for collection services; compensation of Tebala Temple, A.A.O.N.M.S. of Rockford for sale of tickets for football game; partial refund of tuition and fees to John Fields; contract with Kishwaukee Community Hospital for provision of physician-attended emergency room services; purchases; contract for demolition of 8 houses located on site of the parking facility; employment of consultant to assist with closed circuit TV and FM Distribution System for Residence Halls and Holmes Student Center; addition of contingency funds to projects for Rehabilitation of Shower Rooms in Stevenson North and South; award of contract for remodeling Business Manager's Office and Basketball Office in Evans Field House; approval of design development drawings for Phase II of EDA projects for remodeling Swen Parson Library and remodeling of Gabel Hall; increase in contingency from \$50,000 to \$70,000 for project for Parapet Wall Rehabilitation of Holmes Student Center; award of contracts for repair of roof and flashing on Grant and Stevenson Towers; concurrence in award of contracts by CDB for Lorado Taft Electrical and for Dorland Building Sprinkler System; and permission to prepare plans and specifications, advertise and receive bids for repair of sidewalks in various campus locations.
- Authorized the Ad Hoc Committee of the Board on the three EDA projects to accept bids and award contracts for Remodeling of Still Gym for Department of Industry & Technology.
- Established the rate of compensation for FY78 for the President of NIU.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved a Minor in Reading; and deletion of B.S. in Education Degree with a Major in Music and deletion of the Arts and Science Degree.
- Approved the Report of the President, as amended, which included: personnel transactions for faculty and administrative staff and for civil service employees; salary recommendations for FY78 for faculty and administrative staff; purchases; 1978-79 Academic Calendar and Summer Sessions 1979; and amendment to the University Constitution to establish a Professional-Technical Staff Council.

SUMMARY OF BOARD OF REGENTS ACTIONS

September 15, 1977

PERTAINING TO THE REGENCY SYSTEM:

- Received a report on the addition of Aid Association for Lutherans to write annuity contracts under the Retirement Annuity Plan.
- Approved premium rates for the period beginning September 1, 1977 for Comprehensive General Liability coverage and Board Member and Employee Liability coverage.
- Approved a FY79 capital appropriation request for the Regency System in the amount of \$28,549,200. This total includes \$13,295,000 for Illinois State, \$5,746,700 for Northern Illinois, and \$9,507,500 for Sangamon State.
- Approved a FY79 operating appropriation request for the Regency System in the total amount of \$132,590,000. Included were \$52,506,700 for ISU; \$65,783,200 for NIU; \$13,695,500 for SSU; and \$604,600 for the Central Office.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Authorized execution of a labor agreement between Sangamon State University and Local 7, Operating Engineers, covering the period September 1, 1977 through August 31, 1978.
- Approved the Report of the President, as amended, which included: authority to contract for legal services with James M. Drake, Hoffmann and Hoffmann, and Dow, Lohnes, and Albertson; personnel transactions for faculty and other employees; purchases; permission to expand and remodel the office of the Dean of Public Affairs; permission to submit a request to the General Assembly for approval of a resolution declaring the construction of 80 units of on-campus student housing to be in the public interest; and ratification of transactions submitted during the month of August.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved the Report of the President, which included: personnel transactions for faculty and administrative staff and for civil service employees; purchases; permission to refund tuition and fees to Karen L. Anderson; and ratification of transactions submitted during the month of August.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Authorized execution of a labor agreement between NIU and Local 8, Operating Engineers, for the period August 15, 1977 through July 30, 1978.
- Approved the University request to terminate AFSCME - Local 963 as the bargaining representative for the clerical employees bargaining unit effective September 11, 1977, the expiration date of the Agreement.
- Approved the Report of the President, as amended, which included: personnel transactions for faculty and other employees; authorization for additional new positions; permission to make partial refunds of tuition and fees to D. Marilyn Jordan, Eva May Maxey and Gayle A. Wheeler; purchases; permission to prepare plans and specifications, advertise and receive bids for replacement of the refractory in the throat of the #3 boiler at West Heating Plant; permission to prepare plans and specifications, advertise and receive bids for replacement of slats on interior of cooling tower at West Heating Plant; award of contract for remodeling projects in Evans Field House; award of contracts for Phase II of Remodeling of Still Gym for Industry.&Technology; award of contracts for Phase II of Gabel Hall Remodeling; award of contracts for Remodeling Neptune North Basement Classroom area for office; concurrence in University action in issuance of purchase order from FY78 funds to cover work on East Heating Plant stack; indication of Board intent to grant an easement to the DeKalb Sanitary District to construct and maintain a new sanitary sewer through university property; and ratification of transactions submitted during the month of August.
- Approval of tenure for Jon David Miller as recommended in the President's Report.
- Approval of the appointment of Leon M. Miller as Ombudsman as recommended in the President's Report, with direction to the Central Staff to prepare a study of the Office of Ombudsman at NIU; and further that the administration of NIU make an investigation of the procedures used in this case.

SUMMARY OF BOARD OF REGENTS ACTIONS

October 27, 1977

PERTAINING TO THE REGENCY SYSTEM:

- Received reports on legislation, 1976-77 Student Financial Aids, a discussion paper on tuition for 1978-79, activities of the foundations during fiscal year 1977, and change orders during the first quarter of FY78.
- Approved the internal budgets for the Regency Universities for FY78, with authorization to the Presidents to make reasonable and moderate changes in the budgets subject to availability of funds, statutory limitations and Board Regulations.
- Approved the appointment of Richard G. Lim to the position of Budget Officer in the Central Office.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Authorized execution of collective bargaining agreements with Fraternal Order of Police Lodge 86 and with AFSCME Local No. 963 covering kitchen workers and building service workers.
- Approved an Emphasis in Safety and an Emphasis in Industrial Design and Drafting within the Bachelor of Science, Comprehensive Major in Industry and Technology.
- Approved the Report of the President, as amended, which included: personnel transactions; permission to make refunds of tuition and fees to Thomas Charles Dean, Kevin B. Duffy and Kathleen S. Noto; a Resolution to provide for collateral for NIU's checking account at the DeKalb Bank; permission to enter into negotiations for Mental Measurements Yearbook; purchases; award of contract for completion of concrete floor and installation of floor drains at West Heating Plant; permission to prepare plans and specifications, advertise and receive bids for retubing of the absorber unit in Wirtz Hall, and for the repair of the parapet wall and coping on Zulauf Hall; permission to engage DeLeuw Cather & Company to provide necessary engineering studies, develop plans and specifications in consultation with a landscape architect, advertise and receive bids and supervise construction of necessary utilities, parking areas, access roads and all other activities necessary to the completion of the surface parking area; permission to engage Joe Karr and Associates to work with the engineer in the development of landscaping scheme for the surface parking area; and permission to proceed with demolition and/or relocation of 5 remaining structures located on the site of the surface parking area project.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Staff recommendation to support the seeking of additional funding to allow completion of the Public Affairs Center.
- Authorized execution of collective bargaining agreement with AFSCME Local 1685 covering grounds and maintenance workers.
- Approved the Report of the President, which included: revisions in the FY79 Operating Budget Request; personnel transactions; purchases; and adoption of a Resolution pertaining to the purchase of 37 acres of land from the SSU Foundation.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Authorized execution of collective bargaining agreement with Operating Engineers Local No. 8 covering operating engineers and firemen, and with Chauffeurs, Warehousemen and Helpers Local No. 26 covering building mechanics.
- Approved the Report of the President, which included: personnel transactions; purchases; permission to expend \$40,500 for movable equipment for the University Union Vending Area; permission to engage Middleton and Associates for architectural and engineering services for renovation and remodeling of areas of Feeney Food Center; permission to prepare construction and bid documents and receive bids for enlarging of the synthetic play surface and installation of new artificial turf and pad over the entire surface of Hancock Field, with the understanding that an attempt will be made to secure competitive bids for the installation; permission to design, prepare bid documents and receive bids for component parts and equipment, and to employ labor for an irrigation system at the ISU Golf Course.

SUMMARY OF BOARD OF REGENTS ACTIONS

December 1, 1977

PERTAINING TO THE REGENCY SYSTEM:

- Elected Richard G. Lim as Assistant Secretary-Treasurer.
- Adopted Resolution commending Guy V. Prisco for service to the Regency System.
- Received a Staff summary of the 1976-77 Library Reports.
- Received for first reading amendments to Board Regulations relative to not-for-profit corporations, and reporting of purchases and construction; and an amendment to Governing Policy relative to University Constitutions.
- Received a report on a publications study and requested the Universities to conduct their own evaluation of all publications. Requested NIU to evaluate the Northern Illinois University Press. Directed that the evaluation procedures be developed by the universities in cooperation with the Central Staff.
- Received the tentative report schedule for calendar year 1978, and adopted a schedule of Board meetings for 1978.
- Received a status report on the Board of Regents Fund.
- Waived the requirement for setting 1978-79 tuition and other fees in December.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Adopted a Resolution pertaining to the depositary procedures for ISU Revenue Bond Series 1970 Accounts.
- Approved a revision of sequences within the Baccalaureate Program in Applied Computer Science; the deletion of existing majors in the Baccalaureate Program in Special Education and substitution of a Major in Special Education with eight curricular sequences; a minor in Special Education; a sequence in Business Information Systems within certain Business majors; and a change in title from Department of Corrections to Department of Criminal Justice Sciences.
- Authorized execution of collective bargaining agreements with AFSCME Local 1110 and Mackinaw Valley Lodge No. 67 (Police).

- Approved the Report of the President, as amended, which included: personnel transactions; purchases; permission to delay setting the student health and accident insurance fee until May 1978; permission to increase the Health Service Fee effective Fall 1978 to \$16.50 per semester per full-time student, and \$8.25 per full-time summer student; permission to increase rents for Cardinal Court Remodeled Apartments effective September 1978; and approval of project plans and specifications for remodeling of the eleventh floor of Hamilton-Whitten Halls.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Report of the President, which included: adoption of Resolution pertaining to the termination and re-execution of a contract for the upgrade of the HP3000 computer system; personnel transactions; purchases; and permission to submit to the Board of Higher Education at its January meeting a plan for the construction of 80 units of on-campus student housing.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Approved a specialization in Rehabilitation Teaching of the Adult Blind within the Masters Degree Program in Special Education.
- Approved an increase of \$5.00 per semester in the busing fee with a request that an intense investigative study be made of the busing system.
- Approved the Report of the President, as amended, which included: personnel transactions; permission to charge up to $1\frac{1}{2}\%$ interest per month on amounts due the University, effective Fall semester 1978; purchases; award of contract for repair and waterproofing of the Pedestrian Tunnel between Neptune North and Neptune Central; award of contract for replacement of handball court floors in the Stadium; award of contract for boiler repair at West Heating Plant; award of contract for remodeling of shower and toilet rooms in the Stadium; award of contract for roof repairs at Grant South; award of contracts for rehabilitation of Women's Locker Room in Anderson Hall; award of contracts for Phase II of Remodeling of Swen Parson Library; permission to prepare plans and specification, advertise and receive bids for renovation of the loggia at University Apartments; permission to employ Brown, Davis, Mullins & Associates, Inc. to develop plans and specifications, advertise and receive bids for installation of a pre-alarm fire alarm system in Grant South and Grant North; permission to employ Culinary Planning, Inc. to prepare plans and specifications in conjunction with Physical Plant Department, advertise and receive bids for remodeling of serving lines in Lincoln Hall; permission to prepare plans and specifications, advertise and receive bids for replacement of windows in Gilbert Hall; permission to employ Rath, Rath & Johnson, Inc. to prepare plans and specifications, advertise and receive bids for replacement of curtain walls on student room wings of

SUMMARY OF BOARD OF REGENTS ACTIONS

February 16, 1978

PERTAINING TO THE REGENCY SYSTEM:

- Accepted the resignations of Robert Spencer, President of Sangamon State, and Richard Nelson, President of Northern Illinois University.
- Appointed John Keiser and William Monat as Acting Presidents of Sangamon State University and Northern Illinois University, respectively.
- Appointed Robert Spencer as Professor of Government and Public Affairs at SSU, effective August 16, 1978.
- Appointed search committees to choose new Presidents of Sangamon State and Northern Illinois Universities.
- Adopted Resolutions commending Presidents Spencer and Nelson for their service to the Regency System.
- Received the Executive Director's Annual Report of Regency Activities.
- Received a report on the necessity of the NIU Ombudsman's office.
- Received for first reading amendments to Board Regulations relative to Travel, Reimbursable Business Expenses, Authorization of Faculty and Administrative Positions, Grants and Contracts, and the Transfer of Sick Leave.
- Deferred consideration of a possible tuition increase for a later date.
- Approved Board Regulation amendments relative to Not-for-Profit Corporations, and the reporting of Purchases and Construction.
- Approved New Programs requested, and Program Deletions.
- Requested institutions to report on the content of B.S. and B.A. degree programs.
- Received a status report on FY78 appropriations for the Regency System.
- Waived notice of and the holding of the annual meeting of the Illinois Educational Consortium, and authorized the Secretary of the Board of Regents to file written consent to the election of IEC Directors.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Authorized the continuation of the Senior Learner Program in which a \$10 fee allows persons 62 years of age or older to attend any SSU class with the permission of the instructor, on a space available basis.
- Authorized initiation of a search for an architect for the construction of the 80 unit on-campus student housing project, contingent upon legislative approval.
- Approved the Report of the President, which included: personnel transactions; a report of purchases; authorization to initiate a project for remodeling a portion of Building "F"; and ratification of January transactions.
- Received for first reading proposed amendments to the University Constitution.
- Reaffirmed present policies relative to farming operation and income from the Shepherd tract.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Approved an increase in the athletic fee of \$12.75 per semester to meet moral and legal obligation under Title IX for increased funding for women's intercollegiate program.
- Approved a resolution relative to the early retirement of revenue bonds.
- Approved the Report of the President, as amended, which included: personnel transactions; grants and contracts; removal of the Richard Engberg & Co. Corporation from the NIU bidders list; purchases; approval of a new budget for remodeling of Douglas Hall; award of contract for retubing of the absorber unit at Wirtz Hall; award of contract for repair of the cooling tower at West Heating Plant; received design development drawings for replacement of window walls in Lincoln Hall, and authorized completion of final plans; received schematic design drawings for surface parking lot and authorized engineer to complete final plans and specifications, advertise and receive bids for the project; permission to renew lease of research facilities from Dr. and Mrs. Briles; and ratification of January transactions.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved a resolution relative to the early retirement of revenue bonds.

- Approved the Report of the President, as amended, which included: personnel transactions; receipt of a project description for remodeling of Old Milner Library; permission to prepare contract drawings and receive bids for handicapped code work in Atkin-Colby and Hamilton-Whitten residence halls; permission to prepare contract documents and receive bids for remodeling of Vrooman Center, Colby Hall, Whitten Hall, Linkins Center and Watterson Towers student lounge areas; award of contracts for artificial turf at Hancock Stadium, and remodeling of Feeney Dining Commons; and ratification of January transactions.

SUMMARY OF BOARD OF REGENTS ACTIONS

March 16, 1978

PERTAINING TO THE REGENCY UNIVERSITIES:

- Authorized the Chairman to designate the representatives of the Board to appear before the Legislative Audit Commission on April 11.
- Received a Staff Summary of the Governor's Budget for Higher Education for fiscal year 1979.
- Received for first reading an amendment to Board Regulations pertaining to the taping and filming of Board meetings.
- Approved amendments to Board Regulations relating to: Travel, Reimbursable Business Expenses, Authorization of Faculty and Administrative Positions, Transfer of Sick Leave, and Grants and Contracts.
- Approved the Staff recommendations regarding the University Academic Plans (1978-1983), with the exception that the Bachelor Degree programs in Russian Studies at ISU and in Russian at NIU were placed on probation, to be reviewed at the end of three years or before if conditions merit for a decision on continuation or deletion.
- Approved a bid for police professional liability coverage for the period March 15, 1978 through March 15, 1979.
- Directed the Universities to determine if there are faculty or staff employed by the institutions who have defaulted on student loans; to report the findings to the Board; and in the event the institutions are unable to collect on such defaulted loans, that a list of defaulters be circulated to other universities and state agencies in the State of Illinois.
- Adopted a resolution endorsing the Governor's statement that governing boards should be free to set tuition rates for their own institutions and have some control over their budgets; and directed that this sentiment be conveyed to the Board of Higher Education and to members of the General Assembly.
- Adopted a resolution commending Mr. John Templin for successfully representing NIU and the Board of Regents in the matter of Edna Barbour vs. Northern Illinois University and the Board of Regents.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Approved a Bachelor of General Studies Degree in the College of DuPage area.

- Received a summary of recommendations from the Consultative Evaluation of the NIU Health Service together with responses; and directed the Staff to meet with appropriate personnel on campus and report to the Board on the recommendations contained in the report as well as the steps taken to implement them.
- Approved the Report of the President, as amended, which included: personnel transactions for faculty and other employees; permission to make a partial refund of tuition and fees to Marc A. Brailov in the amount of \$49.50; purchases; award of contract for renovation of loggia at the University Apartments; and award of contract for installation of thermopane glass in the windows at Grant South, Grant North and Stevenson North.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved a departmental reorganization within the College of Education, to be implemented after approval has been received from the Board of Higher Education.
- Approved the Report of the President, which included: personnel transactions for faculty and administrative staff and for civil service employees; and purchases.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Report of the President, as amended, which included: adoption of a resolution pertaining to the addition of Sangamon Bank and Trust as a depository for time deposit accounts; personnel transactions for faculty and other employees; amendments to the Sangamon State University Constitution; authority to execute a contract with Graham, O'Shea and Wisnosky, Architects and Planners, Inc., for services for the proposed student housing project; and award of contracts for electrical work and for heating and ventilating modifications in connection with the remodeling of Building "F".

May 5, 1978

(No summary of actions prepared for this meeting.)

SUMMARY OF BOARD OF REGENTS ACTIONS

May 18, 1978

PERTAINING TO THE REGENCY SYSTEM:

- Directed Staff to communicate to the Board of Higher Education a request that it review its procedures for utilizing the Commission of Scholars and the process employed by the Commission for review of doctoral programs.
- Requested the Universities to report to the Board and the Staff on the improvement of student academic advisement and on the relationship between that and the presence of formally structured sub-major programs. Also requested a response on this question from the Joint University Advisory Committee.
- Approved an amendment to Board Regulations to provide that in the award of Regents tuition waivers financial need would be retained as one of the possible award criteria, but that such need would not necessarily receive the highest priority in every instance.
- Authorized continuation of present tuition rates for the 1978-79 academic year.
- Accepted the Staffing Plans of the three institutions as general planning documents to assist in university management.
- Approved an amendment to Operating Engineers union contracts at Illinois State and Northern Illinois Universities, substituting Local 399 for Local 8.
- Authorized a judicially supervised settlement in the amount of \$20,000 in the matter of BRH Builders, Inc. vs. Raymur Schools Corporation.
- Approved the appointment of Dr. W. Robert Bokelman as Deputy Director for Business Affairs, effective September 1, 1978.
- Received reports on legislation, units of instruction below the level of a major, and the occupational status of graduates of the Regency Universities.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Approved a Sequence in Human Services Education within the Masters Degree Major in Counselor Education to be initiated in Fall 1978.
- Approved the Report of the President which included: personnel transactions; purchases; permission to rebid the Hamilton-Whitten Eleventh Floor Remodeling project and to increase the architect's fees to cover the cost of the redesign work.
- Awarded tenure to members of the faculty as recommended by the President.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Approved the Report of the President, which included: authority to transfer \$10,000 from Telecommunications to Contractual Services; approval of a deferred tuition payment plan; authorization to submit an expanded application to HUD for assistance in funding the proposed student housing project; personnel transactions; purchases; permission to increase the FY78 contract authorization with Hormaz Vania from \$3,000 to \$4,000.
- Awarded tenure to faculty members as recommended by the President.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Approved an Emphasis in Dance Performance within the undergraduate Major in Theater to be initiated in Fall 1978.
- Approved a request to establish a Department of Business Systems and Analysis to be implemented the next academic year; and a request to establish a Northern Illinois Regional History Center at NIU.
- Approved the Report of the President, as amended, which included: personnel transactions; permission to make partial refunds of tuition and fees to Michael Martin, Ann Cohn, Rena Ursic and Dennis Yauch; grant of an easement to the DeKalb Sanitary District for construction of a sanitary sewer; authorization to disburse up to \$750,000 during FY79 in connection with foreign study programs without obtaining specific advance approval for each disbursement in excess of \$10,000; transfer of \$60,000 from Contractual Services to Refunds; transfer of \$40,000 from Contractual Services to Commodities (\$25,000) and Telecommunications (\$15,000); transfer of \$20,000 from Automotive to Travel; permission to assess student health insurance fee of \$16 per semester, and \$9.60 for summer coverage, and emergency room service fee of \$3.50 per semester, \$1.75 for summer session, and \$0.50 for intersession; purchases (with Board approval of the basic insurance policy contingent upon subsequent approval by Regent Burns); award of contracts for replacement of window wall in West Heating Plant, rehabilitation of shower rooms in Grant North "C" Tower, replacement of baseboard in student rooms in Gilbert Hall, and replacement of metal panel on Stevens Building.
- Awarded tenure to faculty members as recommended by the President.

SUMMARY OF BOARD OF REGENTS ACTIONS

June 22, 1978

PERTAINING TO THE REGENCY SYSTEM:

- Elected Franklin G. Matsler as Secretary; William J. Keating as Treasurer and Richard Lim as Assistant Secretary-Treasurer.
- Adopted Resolutions commending student Regents Resnik, Theobald and Welander.
- Received information reports on legislation and on comprehensive liability insurance.
- Approved Staff recommendations on the Administrative Salary Plan.
- Adopted a Calendar of Board Meetings for the period July 1978 - June 1979.
- Adopted Staff recommendations relative to the New and Expanded Program requests by the three institutions.
- Authorized universities to make tentative internal allocations for FY79 within currently available appropriations and to obligate and expend funds.
- Authorized representatives of Continental Illinois National Bank and Trust Company of Chicago and A. G. Becker Municipal Securities, Inc. to explore the concept of advance refunding of existing outstanding bonded indebtedness of Illinois State University and Northern Illinois University, and to report to the Board the results of their exploration.
- Adopted an amendment to Board Regulations relative to the recording of proceedings of the Board by representatives of the news media.
- Authorized extension of lease for Central Office space for a period of two years to June 30, 1980, subject to suitable appropriations.
- Received institutional reports on publications (and the University Press at NIU) and requested that the matter be placed on the agenda for discussion at the July meeting of the Board.

PERTAINING TO SANGAMON STATE UNIVERSITY:

- Adopted Resolution commending Dr. John Keiser for his service to the University as Acting President.
- Appointed Dr. Alex Lacy as President of Sangamon State University effective September 1, 1978; and discharged the Search Committee.
- Appointed Dr. Thomas Goins to serve as Acting President of Sangamon State University in the interim between Dr. Keiser's departure and Dr. Lacy's arrival.

- Approved the Report of the President, which included: approval of First Citizens Bank of Mt. Morris and Chatham Community Bank of Chatham, Illinois, as depositories for certain funds; approval of development reserves for future planning and construction of on-campus parking facilities and student service facilities; approval of reserves for replacement of transportation equipment and printing and duplicating equipment; personnel transactions for faculty and other employees; contracts for legal services; and purchases.

PERTAINING TO NORTHERN ILLINOIS UNIVERSITY:

- Received a Report from the Chairman of the NIU Presidential Search Committee.
- Disapproved payment of legal fees to the firm of Jenner & Block in connection with professional services in the matter of Krauss vs. Board of Regents, and discharged the firm from any further obligation to proceed in this matter.
- Approved the Report of the President, as amended, which included: personnel transactions for faculty and other employees; permission to make partial refunds of tuition and fees to Thomas Sidor and Terrence Creamer; purchases; permission to engage Brown, Davis, Mullins & Associates, Inc. to prepare a feasibility study and preliminary cost estimates for modification of the East and West Heating Plants; permission to reserve funds for parking lot development and/or improvement, and to engage Hampton Lenzini & Renwick, Consulting Engineers, to provide services in connection with the development of Parking Lot P; and award of contract for repair of sidewalks to Walker Construction Company.

PERTAINING TO ILLINOIS STATE UNIVERSITY:

- Declined to review the tenure decision for Dr. James Scrimgeour.
- Approved the Report of the President, as amended, which included: personnel transactions for faculty and administrative staff and civil service employees; purchases; permission to engage Brown, Davis, Mullins & Associates, Inc. to design and prepare contract documents for air conditioning of South Campus Residence Halls, Phase II; permission to hire Middleton Associates to design, prepare contract documents and receive bids for remodeling and renovation of Dunn-Barton exterior entrance and drive; permission for the university to design, prepare contract documents and receive bids for insulating exterior walls of student rooms in Hewett-Manchester; permission to design, prepare contract drawings, and receive bids for a new farm machinery storage building; permission to enter into membership agreement between MICC and IEC at a total cost not to exceed \$84,841; approval of an amendment to Article III, Section 6B of the University Constitution; authorization for the Office of International Studies to disburse up to \$425,000 during FY79 in connection with the Study Abroad Programs without obtaining specific advance authorization for each disbursement; permission to extend the contract of John Pavlou as Director of Students' Legal Services program for July 1978; permission to extend the contract of John Tielsch as staff attorney in the Students' Legal Services program for July 1978; and Resolution authorizing the acquisition of property at 405 West Willow for parking purposes.

Minutes of the Meeting of the
BOARD OF REGENTS
Sangamon State University - Springfield, Illinois

July 28, 1977

The regularly scheduled meeting of the Board of Regents convened at 11:15 a.m. on Thursday, July 28, 1977 in Room J-149 at Sangamon State University, Springfield, Illinois. Mr. David E. Murray, Chairman, presided.

Mr. Murray called the meeting to order, roll was called, and the following Regents were present:

Mr. Michael J. Brady	Mr. Charles B. Shuman
Dr. Dan M. Martin	Mrs. Eleanor R. Suggs
Mr. James M. Patterson	Ms. Kimberly Theobald
Mr. Guy V. Prisco	Ms. Jill Welander
Mr. Richard Resnik	Dr. Harry L. Wellbank
Mr. David E. Murray, Chairman	

Ms. Carol K. Burns was not present for the meeting.

Also in attendance were:

Dr. Lloyd I. Watkins, President, Illinois State University
 Dr. William Monat, Vice President and Provost, Northern Illinois University
 Dr. Robert C. Spencer, President, Sangamon State University
 Dr. Franklin G. Matsler, Executive Director, Board of Regents

Others in attendance included staff members from the Universities and the Central Office; Mr. James M. Winning, Legal Counsel to the Board; members of the Joint University Advisory Committee; and representatives of the news media.

The minutes of the meeting of June 16, 1977 had been distributed prior to the meeting, and the Chairman inquired if there were any additions or corrections to be proposed. Dr. Matsler said while he did not wish to ask for a correction, he would like to ask for clarification of the intent of a motion made by Mr. Shuman with respect to authorization of the continuing representation election for clerical employees at Northern Illinois University. Dr. Matsler called attention to page 36 of the minutes, first paragraph, wherein a part of the motion stated that "the election be under the supervision of an independent agency such as the Office of Collective Bargaining of the State of Illinois or the Federal Mediation and Conciliation Service", and he inquired if it had been Mr. Shuman's intent to mean that the election could be held under the supervision of either an independent agency or an independent third person or party. Mr. Shuman confirmed that had

in fact been his intention in making the motion. On motion by Mr. Patterson, seconded by Dr. Wellbank, the minutes of the June 16, 1977 meeting were approved as submitted.

CHAIRMAN'S ITEMS

The Chairman announced that unless there were some objection by members of the Board, it would be his plan to continue the meeting until 1:00 p.m. and then recess for luncheon. However, he said, if it should appear that the agenda was almost completed, he would suggest that the work be completed and the meeting adjourned.

Mr. Murray introduced the new student Regents who will serve through June of 1978: Ms. Jill Welander of Sangamon State; Mr. Richard Resnik of Northern Illinois; and Ms. Kimberly Theobald of Illinois State. The oath of office was administered to the new members, and Mr. Murray welcomed them to the Board and encouraged them to participate fully in the work of the Board.

REPORTS TO THE BOARD

Ad Hoc Committee on EDA Projects at NIU

Mr. Prisco, Chairperson, reported that one of the projects, the Remodeling of Still Gym for the Department of Industry & Technology, was approved at the last meeting to be put out for bids. Bids are due on August 10, he reported. Because of the nature of the project and the time constraints involved, Mr. Prisco moved that the Board give authorization to the Ad Hoc Committee to approve the bids when they come in and award contracts. The motion was seconded by Dr. Martin, and it carried unanimously.

Mr. Prisco said that the other two EDA projects are included in the Report of the President of NIU, and the University had requested that the architects for the projects be given an opportunity at this point in the meeting to present the design development drawings for Phase II of the projects. Vice President Richard J. Smith introduced Mr. Darby of the firm of Larson & Darby, architects for the remodeling of Swen Parson Library; and Mr. Stockton of the firm of Stanley Consultants, architects for Gabel Hall Remodeling; who reviewed the design development drawings with the Board and responded to specific questions.

Mr. Shuman noted that the Swen Parson Library remodeling project has been moving rapidly, and he asked how much communication there has been with persons who will be using the building. Vice President Smith advised that there is a committee on campus which is composed of about 15 individuals, and they have met with Physical Plant personnel and representatives of the architectural firm. There has been a lot of involvement on the part of the committee and all areas which will be represented in the building have had people on the committee.

Mr. Shuman said it appears that there will be a lot of cubby-hole offices, and he asked if everyone is going to have a private office. Dr. Smith explained

that there are certain people who will require private offices, but the number of private offices in the total area is minimal compared to the total space. Most of it will be open space, he said, that can be used for many different purposes. People serving on the committee have been advised that the University is not going to build in permanent walls because changes do occur. Is the University moving toward using shared office space as much as possible, Mr. Shuman inquired? In this particular building, Dr. Smith said, this may not be possible as much as in other areas because there will be administrative staff who will be in the building 8 hours a day; but he assured the Board that the total number of private offices is minimal.

Mr. Shuman asked the architect if they would be required to do any work on the roof of the building. Mr. Darby said there would be some minor roof repairs, but the major portion would not be changed. Mr. Shuman commented that he is always willing to wager that it will not be over five years before the roof leaks. Dr. Smith agreed that their experience indicates that this is probably correct.

Mr. Brady noted that sometime ago the Board had refused a University request to turn this building into an undergraduate library. He asked Dr. Matsler if, in his opinion, the floor plan modification is incompatible with an undergraduate library.

Dr. Matsler said as far as staff can determine, it is not. Staff was a little concerned about the usage being for more library space, he said, but the University has cut down on that and has moved in Student Services and more classroom and office space. This is a much better plan than what the Board saw a year ago, he added.

Mr. Shuman expressed a concern that the architects would have someone on the job who is competent to watch the construction to see that it complies not only with the specifications, but also with ordinary common sense safety requirements. He believes, he said, that in addition the University should have some staff member watching the architect and the contractors in this respect. Vice President Smith advised that the University has already engaged from the EDA funds an assistant architect who will be working out of his office and will be assigned to supervise all three of these EDA projects, in addition to the on-site people from the architectural firms.

Mr. Stockton responded to specific questions relative to the on-site supervision to be provided on the Gabel Hall project, and Vice President Smith clarified the fact that all of the work contemplated in the project budget was included in the original project which was approved by the Board of Regents, but turned down by the BHE two years ago, and he emphasized that nothing has been added to the scope of the project.

Mr. Prisco then moved for approval of the design development drawings for Phase II of the projects for Remodeling Swen Parson Library and for Gabel Hall Remodeling. The motion was seconded by Mr. Brady, and it carried unanimously.

Board of Higher Education Meeting

Dr. Martin reported that at the July meeting of the BHE in Edwardsville, a report was presented by the Educational Television Commission. A synopsis of the report and the recommendations presented had been distributed to the Regents today, he noted. The Commission which was created by the BHE has presented a very preliminary kind of basis for trying to get a handle on the development of instructional television, he said, and we can be pleased with the start on this. Our Regency institutions were represented in this discussion, he reported, and while there is a great deal of work to be done in this area, there has been some high quality attention given to it.

Dr. Matsler advised that Dr. Robert Hunyard, Director of Communications at NIU, is the Regency representative to the ETV Commission, and as indicated in the Executive Director's Report, he would ask him to give an overview of what the Commission is doing. Dr. Matsler directed the Board's attention to the map which was included in the materials distributed, and he asked Dr. Hunyard to explain the various consortia and the plans of the ETV Commission.

Dr. Hunyard noted that the map was prepared some years ago and indicates the coverage of the State of Illinois at the present time by public broadcasting stations. There are presently three other consortia which are being formed, he added, all of them at or past the stage of being incorporated as not-for-profit corporations. One is in the area immediately north of Carbondale, one in West-Central Illinois, and the third will cover the area in Northwestern Illinois.

Is consideration being given to hooking on with cable television stations, Mr. Murray asked? He noted that the Sterling area, the Rockford and the Quad Cities areas are all served with educational television through cable. He would hope that it would be taken into consideration that some of the areas which the map shows as being not served are really pretty well served.

Dr. Hunyard said the Northwestern area does have some spill over coverage from Wisconsin and Iowa, and they are probably doing a good job, but they cannot cover the whole area. Cable television is still rather fractionated, he said, and it is not a total kind of coverage system on an individual franchise basis. The quality and the usefulness of the signal picked up via the cable from Iowa or Wisconsin, he thought, would not be prudent for him to comment on, because this would be a matter of individual listener preference. Hopefully, with PBS stations - which all of these consortia will be - they will be able to offer an alternate locally concerned, which is one of the major matters that came out of the Carnegie Report.

Mr. Murray said he just wanted to point out that in his area a very high percentage of people are hooked onto the cable and have taken down their TV antennae and would be unable to receive such broadcasts unless they come through the cable. Eventually, Dr. Hunyard said, they will go into the cable system. By FCC regulations, cable systems must devote one channel to educational television

purposes, and that channel, hopefully, would be used ultimately by the Illinois Educational Television network.

Dr. Martin said he was under the impression that grants had been made to the Southwest, the West-Central and the Chicago consortia. What is the relative status of the Northwest consortium, he asked? The Northwest consortium has just received its charter, Dr. Hunyard replied, and has not held its first corporate meeting, so that it is still very preliminary in development. At some future date, he added, he would be able to give further detail on the state of its development.

Joint University Advisory Committee

Mr. Philip Koltun, Chairperson, advised that JUAC had no report to make to the Board.

Mr. Murray said he had neglected earlier in the meeting to comment on the executive session of the Board this morning. Essentially, the Board discussed Central Staff and salaries for executives and the Executive Director, and also several personnel matters which are before the Board. He reported that President Nelson did appear before the executive session. Mr. Murray noted that it was he who explained the circumstances of the incident at DeKalb which involved President Nelson, based upon what he knows of the situation. Mr. Murray said he purposely did not invite President Nelson to come to the executive session, but the President voluntarily wanted to come although technically he is still on vacation. The President did discuss a couple of pending personnel matters with the Board, but he was not asked questions about the incident, because it was felt that it would be inappropriate because the matter is still before the Grand Jury. The President did not comment on the incident, Mr. Murray stated, so that was the extent of the discussion of the matter.

EXECUTIVE DIRECTOR'S REPORT NO. 90

Dr. Matsler said that before proceeding with his Report, he would announce that he recently received a letter from William J. Keating announcing his retirement a year from now at the end of August 1978. Dr. Matsler said he did want to say publicly that he will miss Mr. Keating very much. He has been with the Board of Regents almost since its inception and, in fact, was the first member of the of the Board's staff. Mr. Keating has been a very stabilizing influence, and it was with a great deal of regret, Dr. Matsler said, that he learned of his intention to retire - although he has been talking about it for the last year or so. We are fortunate that we have a year's lead time, Dr. Matsler added, to move toward finding a replacement for him. The search will probably begin early in the fall.

Dr. Matsler announced also that Mr. Carl Greeson will be leaving the Central Staff very soon. Mr. Greeson has been Budget Officer for the Board, Dr. Matsler advised, and he knows that everyone would agree that he has done an outstanding job on appropriations and other reports. Mr. Greeson is going to SUNY at Stony Brook, Dr. Matsler reported, and everyone wishes him the best, although sorry to see him leave.

Dr. Matsler then introduced to the Board Mr. Ernest Hopey Freeman, the new System Auditor for the Regency System.

Section I - 1977-78 Salary Recommendations for Continuing Faculty and Administrative Staff

Dr. Matsler stated that the substance of the salary report prepared by Dr. Brim of the Staff is that there has been approximately a 5% salary increase provided for faculty and staff in the System. The report illustrates a normal distribution of professors, associate professors, assistant professors, etc. It also shows the average salaries for faculty and administrative staff at the three institutions. There is evidence that the institutions did, indeed, follow the merit principle, Dr. Matsler pointed out, and not everyone received a straight 5% increase or a dollar amount that was the same. This is one of the flexibilities which we have in the System, which is probably appropriate. Dr. Matsler noted that Table 5 shows a comparison between male and female and the Board can see how the increases were distributed. Percentage-wise, women generally fared fairly close to men, and were slightly ahead in some instances. It is important for the Board to know, he added, that its policies are being followed as these salary decisions are made.

Section II - Semi-Annual Report of Investments

In accordance with the Bond resolutions authorizing the University Facilities Revenue Bonds Series of 1970-70A of Illinois State University, a semi-annual report was made of the market value of all investments held in the bond account, the bond reserve account, and the reserve account.

Section III - Quarterly Change Order Report

As required by Board Regulations, a report was submitted summarizing the number and amounts of construction change orders approved for Regency University projects. All change orders issued during the fourth quarter of FY77 have been reviewed by the Central Staff for approval, and appropriate action has been taken.

Section IV - Legislative Report

Dr. Matsler said information contained in this section of his Report is not entirely uptodate, but he would attempt to furnish the latest information if there were specific questions. He reported that he had recently received a letter from the Governor's Office relative to education-related legislation being reviewed for Governor's action. The letter did not request the Board's opinion, he advised, but rather his own opinion. He responded, he said, relative to House Bill 941 which would amend the Act creating the Board of Higher Education to provide that there be a member representing the independent colleges and universities on the BHE. He urged the Governor to veto the bill, he reported, feeling that it is not appropriate at this time. His feeling is, he added, that it would be in-

appropriate to have special interests on the Board of Higher Education, whether it be the private institutions, a particular company, or whatever. This feeling is shared by many in higher education, he noted.

Mr. Murray asked if there is any indication of what the Governor will do on the bill. No, Dr. Matsler said, adding that the BHE has gone on record recommending a veto of the bill, but if the Governor cannot see fit to do this, then suggesting that it might be amended in such a way to insure that no president of a private institution would be sitting on the Board. With his amendatory veto power, the Governor may be able to do this, Dr. Matsler said, but he is not sure that would be acceptable to the Legislature.

Section V - Report on Educational Television and the BHE Educational Television Commission

Dr. Matsler said he believed that the presentation earlier in the meeting by Dr. Hunyard made it unnecessary to spend any additional time on this section of his Report.

Section VI - Status Report - FY78 Appropriations

Dr. Matsler advised that distribution had been made of the rather detailed report Staff prepares each year on the status of the FY78 appropriations. While he would not go through the entire report, he would like to note that it is a very important document to the Board throughout the year, because it allows us to go back and determine what money has been available for new programs, salaries, etc. Table 1 shows the route that our appropriation bill took as it proceeded through the legislative session. Tables 7, 8 and 9 show the capital projects that have been approved.

Section VII - Cooperative Library Activities

Dr. Matsler advised that this report had been prepared by Dr. Carol Floyd of the Central Staff. Rather than ask her to make a formal presentation, Dr. Matsler said she would be glad to answer any questions the Board might have. He noted that Dr. Martin had asked about the cooperation among our libraries, and the report illustrates that there is indeed considerable cooperation, but probably a need for added efforts. It would also be seen what the activities of our own library directors are in this particular area, and that they are all working together well.

Dr. Martin said he was responsible for putting this work onto the Staff, and he appreciates the report. He added that he would probably prepare some specific questions and submit them later to the Staff.

Dr. Matsler noted that the annual library reports will be made to the Board in the Fall, and the Board could draw on this report as well at that time.

Section VIII - Board Meeting Calendar

After the Board of Regents' action last month, Dr. Matsler recalled, Staff was directed to see if it would be possible to cut down on the number of Board meetings held each year. Staff feels that the number cannot be reduced. It is really a problem of the size of the institutions and the number of transactions that take place, he said. Dr. Matsler said he supposes that if we did not have the meetings some solution could be found, but he noted that we are dealing with a \$106 million enterprise and have many, many transactions each month and he is somewhat uneasy about taking telephone polls on anything other than purchases and personnel matters. He said he feels that we are better off to stay with the calendar as it is now than to try to reduce the number of meetings. He acknowledged that the meetings are rather costly, but on the other hand, he is thinking of the responsibility of the Board and the need to publicly promulgate its actions. It is important to have public meetings, and he is reluctant to recommend that another meeting be eliminated.

Dr. Martin asked, looking at the basic items that the Board can anticipate, whether it would be feasible to combine the March and April meetings.

Dr. Matsler said any of the meetings probably could be changed, but he does worry a little about having less than 9 public meetings during a year, primarily because of the large number of transactions. Another thing that should be considered is that the General Assembly is in session in the Spring of the year and there is more activity statewide which may need attention - more of a chance that a policy issue may be brought to the Board.

What practice do the other boards follow, Dr. Martin inquired? Most of them only take off during the month of August, Dr. Matsler responded.

Mr. Shuman said he would move for approval of the calendar as proposed by Staff, with the understanding that the Board will review at its December meeting the possibility of having only one meeting in March or in April. The motion was seconded by Mr. Patterson.

The Chair ruled that a motion was not necessary because the calendar has already been approved, but the balance of the motion could be accepted.

Mr. Resnik urged the Board, if more off-campus meetings are to be scheduled, that this be done during the summer months when classes are not in session.

Mr. Murray advised that this had been attempted, and Mr. Resnik's point is well taken. The Board will review the success of the off-campus meeting in September and then decide whether or not it will hold any others off-campus.

Dr. Martin said that inasmuch as he was the advocate of this "heresy", he had tried to estimate the number of students in the audience who would not be at this meeting if it were not on a campus. His best estimate is four, he said. He understands that it is summer time, but he also believes that the Board does have

a public relations problem of going out to meet some of the people who pay for our operations; and he would question the significance of being on campus for all of the meetings outside of the summer months. He added that he would talk with the new Regents about this matter.

Ms. Theobald said she sees no objection to holding the meeting off-campus, and persons she has talked with think it an excellent idea. The only question is one of timing - considering that school is in session in September.

The question before the Board was called, and the motion carried unanimously.

As a point of clarification, Dr. Matsler said it is his understanding that at the December meeting the Board will reexamine the need for a March or April meeting and determine at that time whether or not one of them can be removed from the calendar. That is correct, Mr. Murray stated.

Section IX - Governor's Letter on Higher Education

Dr. Matsler said he wished to share with the Board a letter from Governor Thompson to Dr. Donald Prince, Chairman of the Board of Higher Education, which concerns some issues which the Board of Regents should consider. First, the Governor mentions the public-private mix in higher education and the implication here is how much support we should be giving higher education in the years ahead. Already, Dr. Matsler said, Illinois provides more support for private education than just about any other state in the Union. Should there be any change here, or should we be staying at the same level? What do we do about students, encouraging them to go to private institutions as opposed to public institutions? What about faculty retraining? The Board of Regents looked into this a couple of years ago when it was thinking in terms of financial exigencies and what should be done in the event it was necessary to lay off some faculty. Should we be cranking into our budget cycles extra monies for faculty retraining? The Governor is now asking us to re-examine this, and perhaps this is something that we should give more attention to in the months ahead. Another question is what should be the university's relationship to the state and local governments? This year the relationship is as good as it has been for a long time, Dr. Matsler noted. Is there a way to improve it? Another topic addressed by the Governor's letter is a delineation of the system mission. This is something the Board and Staff should put their minds to rather early - whether or not the Regency System is a different kind of system than, say, the Board of Governors. Do we have a different mission, are our institutions different, and how are they different? Another question raised is the value of education to the student. This is something that faculty has been attempting to understand for literally centuries, and now the Governor is appropriately asking the question. The big problem mentioned in the letter is retirement funding; and this is a statewide problem, not a Board problem nor a higher education problem. But the State of Illinois, as most other states, is in a similar situation. Dr. Wellbank commented that private businesses also have this problem. But many of those are properly funded, Dr. Matsler said, while the Illinois systems are not. We are behind hundreds of millions of dollars in unfunded liabilities.

Dr. Watkins said one of the concerns discussed by the Governor in his letter - that faculty skills and knowledge not become underutilized during the coming years - is precisely one of the objectives of the ISU Kellogg project for re-tooling and retraining of faculty who may find their own areas of expertise eroding underneath them to the point where they will have to begin to look in other directions for employment - within institutions and, perhaps, even outside of institutions. This is one of the points in the Kellogg project at ISU, and he noted that some questions had been raised about this at the last Board meeting. The Board does deserve to know as much about the project as possible, he said, and he will be putting together a report to try and relate in brief form just what it is they are trying to accomplish.

Section X - Amendment to Board Regulations: Obligation of Financial Resources

Dr. Matsler advised that in June the Board approved amendments to "Regulations Governing Procurement and Bidding of State Systems Universities in Illinois", updating the regulations in response to changes in law. A review of related sections of the Board Regulations suggests that a revision should be made to the Obligation of Financial Resources subsection to reflect these changes in the purchasing regulations. Staff, therefore, has prepared additions to this portion of the Board Regulations to provide uniformity and consistence within the financial section of the Regulations.

Dr. Matsler said that since the additions are basically housekeeping in nature, Staff recommends that they be adopted at this time rather than following the normal practice of having two readings.

Mrs. Suggs moved for approval of the Staff recommendation. The motion was seconded by Mr. Patterson, and it carried unanimously.

Section XI - New Programs

1. Master of Liberal Studies Degree - NIU

Dr. Matsler noted that when this proposal was initially presented, Staff requested that it be withdrawn to make revisions that would give the concept greater focus. Staff now feels that the degree would be a useful addition to the NIU graduate program, and recommends that the Board approve the Master of Liberal Studies Degree proposal and direct that the program be submitted to the Board of Higher Education for review as part of the FY79 NEPR submission.

2. Minor in Computer Science - NIU

Staff has evaluated this proposal, Dr. Matsler advised, and feels that since computer science is a valuable area of knowledge and provides training in useful skills, it makes sense to offer such a minor at NIU. Staff recommends that the Board approve the proposed minor in Computer Science to be initiated in the fall semester of the next academic year.

3. Change of Title: Bachelor of Science Degree with a Major in Secretarial Administration to: Bachelor of Science Degree with a Major in Office Administration - NIU

Staff agrees with the University that the change in title is preferable, given the present thrust of the curriculum, and recommends that the Board approve the change in title from Bachelor of Science with a Major in Secretarial Administration to Bachelor of Science Degree with a Major in Office Administration. The change will take place in the next academic year.

4. Retitling of Baccalaureate and Graduate Degree Programs in Physical Education - NIU

Dr. Matsler recalled that a year ago Northern consolidated its programs in Mens Physical Education and Womens Physical Education into a single program. The consolidated department has reviewed its degree structure and curriculum in order to bring about a comparable merger in this regard, and now seeks Board approval for the change. Staff feels that the changes proposed are appropriate and recommends that the Board approve the retitling of the Physical Education curriculum and degree programs as requested, to be implemented in the next academic year.

5. Minor in Actuarial Science - NIU

Staff feels that this program has been designed in such a way to insure that upon its completion the student will be familiar with the subject matter of the first three examinations of the series of examinations prepared and administered by the Society of Actuaries. A few students are currently completing the courses involved in this minor and it is expected that student interest will increase with the catalogue guidance provided by identification as a minor. Staff recommends that the Board approve the proposed Minor in Actuarial Science to be initiated in the fall semester of the next academic year.

6. High Incidence Handicapped Specialization within the Master of Science in Education in Special Education - NIU

The five-year program which the University proposes, Dr. Matsler said, reflects the movement away from the tradition in university training, state certification, and school programming of segregating handicapped students on the basis of their handicapping condition. This tradition is no longer regarded as appropriate because handicapped students often suffer from more than one handicap, and the instructional strategies fostered for one condition are often relevant and appropriate for other conditions. Although the Office of Education recognizes the difficulties of continuing certification by handicapping condition categories, it is disinclined to make major modifications until pending federal and state legislation are acted upon. However, IOE staff has suggested that developing a program that integrates preparation for certification in the three highest incidence handicapping areas is a desirable step, no matter what the legislative outcome.

Central Staff recommends that the Board approve the proposed High Incidence Handicapped sequence as a specialization within the Master of Science in Education in Special Education, to be implemented after approval has been received from the State Teacher Certification Board.

7. Entitlement Program in School Psychology - NIU

The purpose of this program, Dr. Matsler advised, is to establish a program that will enable graduates of the NIU Masters Degree program in Psychology to obtain Illinois Office of Education certification in School Psychology. Previously, the IOE had required that school psychology programs be filed with it and that students upon completing the program apply to it for transcript evaluation and approval of the internship experience. IOE is now asking that all universities seek entitlement for their programs in this field. After approval of the program, graduates will be certified immediately on the basis of program completion and will not have to await transcript evaluation. Staff recommends Board approval of the proposed Entitlement Program in School Psychology to be implemented after approval has been received from the State Teacher Certification Board.

8. Emphasis in Criminal Justice within the Bachelor's Program Major in Sociology - NIU

Staff feels that this proposal would provide a desirable curriculum alternative for students at Northern at no additional cost and recommends that the Board approve the proposed Emphasis in Criminal Justice within the Bachelors Program Major in Sociology, to be initiated in the next academic year.

9. Minor in Reading - ISU

Staff feels that it is appropriate for ISU to develop a minor in this field, given the mission of the University, the courses presently offered, and the qualifications of the faculty. Staff also concurs with the rationale that this is a teacher-training field that is likely to grow. For these reasons, it is the Staff recommendation that the Board approve the proposed Minor in Reading, to be initiated in the next academic year.

Dr. Wellbank moved for approval of the Staff recommendations regarding new programs. The motion was seconded by Dr. Martin, and it carried unanimously.

Section XII - Program Deletions

1. Deletion of Bachelor of Science in Education Degree with a Major in Music - ISU

Staff concurs with the University assessment and consequently recommends that the Board approve the deletion of the Bachelor of Science in Education Degree with a Major in Music at ISU, effective in the next academic year.

2. Deletion of the Arts and Sciences Degree - ISU

Staff agrees with the University that the consolidation of Arts and Sciences

program with the Contract Major will eliminate confusion and program redundancy, and recommends that the Arts and Sciences Major at ISU be deleted, action to be initiated in the coming academic year.

Dr. Martin moved for approval of the Staff recommendations regarding program deletions. The motion was seconded by Mr. Shuman, and it carried unanimously.

Section XIII - Amendment to Board Regulations: Faculty Contracts

A first reading of amendments to Board Regulations to allow the universities to adopt either the notification of reappointment or faculty contract procedure was held in June. Dr. Matsler, before presenting the amendment to the Board for action, asked that the number of the topic be corrected from 9 to 10. (SECTION III, SUBSECTION A, TOPIC 10).

Staff recommends, he said, that the proposed amendments to the Board Regulations be approved, and that the Staff be additionally authorized to make such minor changes in wording in other parts of the Board Regulations as are needed to make the document consistent in this regard throughout.

Mr. Koltun of the Joint University Advisory Committee advised that JUAC concurs with the Staff recommendation.

Mr. Patterson moved for approval of the Staff recommendations. The motion was seconded by Mr. Shuman, and it carried unanimously.

Section XIV - Central Staff Personnel

Dr. Matsler said the proposed salaries as contained in his Report, along with additional detail given to the Board in executive session, should provide sufficient information for Board action. However, he said, if there were specific questions he would be glad to answer them.

Additionally, Dr. Matsler advised, Board approval was requested for the contract with the firm of Giffin, Winning, Lindner, Newkirk, Cohen and Bodewes for the coming fiscal year. This has been discussed with Mr. Winning, and approval was requested for an extension of the existing contract at the same hourly rate.

Mr. Patterson moved for approval of the salaries proposed for Central Staff personnel for fiscal year 1978, the extension of the agreement for legal services, and that the salary of the Executive Director be established at \$50,900 per year. The motion was seconded by Mr. Prisco, and it carried unanimously.

Section XV - Legal Counsel Report

1. Northern Illinois University: Filler vs. Holt, Rinehart and Winston, Inc.
At the executive session of the meeting of the Board of Regents on June 16, 1977, the execution of a contract for special legal services performed by

the firm of Paul, Weiss, Rifkind, Wharton and Garrison of New York City, was authorized. Mr. Winning recommended that the Board at this time act to ratify the action of the executive session of June 16, 1977.

Mr. Patterson moved for ratification of the contract for legal services as recommended by Legal Counsel. The motion was seconded by Mr. Prisco, and it carried unanimously.

2. Sangamon State University - Ranyard vs. Board of Regents

This is a new lawsuit at Sangamon State, Mr. Winning advised, questioning whether or not the individual's civil rights were respected in connection with a tenure decision.

3. Illinois Educational Consortium

Mr. Winning reported that the Auditor General has requested another opinion from the Attorney General regarding certain transactions involving the Board of Governors and Southern Illinois University, which may have an impact on this Board. This involves lease/purchase transactions, he said, and the matter is under discussion right now by the system legal counsels with respect to the IEC. There will be a recommendation in connection with the Report of Sangamon State University which will provide further elucidation of this matter.

With respect to IEC, Dr. Matsler said, we do now have a contract for Sangamon State University wherein the university is purchasing its computer from IEC. There is some question, he continued, as to whether or not IEC can borrow money to buy equipment and then enter into a lease/purchase agreement with a university. Dr. Matsler said he believes what has been done is appropriate, but on the other hand if it would be better for us to renegotiate that particular transaction with IEC, he advised that he may be contacting the Board by telephone during August for permission to renegotiate a contract, rather than with IEC, with a third party vendor. Dr. Matsler said he wished to advise the Board of this possibility now so that if there were any questions they could be clarified. He said he wanted it understood publicly that Staff might be asking the Board for permission or authorization to renegotiate this lease/purchase arrangement.

Section XVI - Central Office Lease

Dr. Matsler advised that the Central Staff is requesting approval to amend the existing lease with the Myers Families to provide another 526 square feet of space adjacent to the present facilities at the current rate of \$5.50 per square foot. The need for the space is a result of the occupation of all available offices, the lack of adequate library space, and limited space for supply storage and auxiliary work areas.

Mr. Shuman moved for approval of the request to amend the existing lease. The motion was seconded by Dr. Wellbank, and it carried unanimously.

RECURRING INSTITUTIONAL MATTERS

Sangamon State University - President's Report

Before submitting his Report to the Board, President Spencer distributed copies of a replacement for pages 29 and 30 of his Report (Civil Service Employees); an Addendum relative to the leasing of student housing facilities; and copies of a Resolution relative to the contract for the lease/purchase of computer equipment.

President Spencer also called attention to changes in the dates on which bids will be received by the Capital Development Board for Phase II of the Public Affairs Center: Contracts 2 through 8 will be opened on August 8; Contracts 9 through 13 will be opened on August 9; and Contract 1 on August 17.

Information reports were presented on:

Active Applications for Semester I, 1977-78

January and June Graduates, 1977

Grants and Contracts

Financial Activities: Not-for-Profit Corporations

The following items were submitted for Board action:

1. The University Calendars for 1978-79 Academic Year and for 1979 Summer Session.
2. The following Resolution was presented relative to establishment of a depository for Illinois Issues subscription income received in the course of subscription fulfillment services provided by the Cahners Publishing Company of Denver, Colorado:

RESOLUTION

RESOLVED that the Continental National Bank, Englewood, Colorado, is hereby designated a depository in a bank clearing account in the name of Sangamon State University of funds received from Illinois Issues subscription income received in the course of subscription fulfillment services provided by the Cahners Publishing Company, Denver, Colorado, and that the funds so deposited therein may be withdrawn upon check, draft, note, or order of Sangamon State University.

BE IT FURTHER RESOLVED that all checks, drafts, notes, or orders drawn against this account be signed by the Vice President for Business and Administrative Services or the Assistant Vice President for Administrative Services and the Comptroller or the Supervisor of Accounting of Sangamon State University and that the signatures of the above be certified by the President of Sangamon State University and that no check, draft, note, or order drawn on the account be valid unless signed as authorized by this paragraph.

BE IT FURTHER RESOLVED that said financial institution is hereby authorized and directed to honor and pay any checks, drafts, notes, or orders so drawn, whether such checks, drafts, notes, or orders be payable to the order of any such person signing and/or countersigning said checks, drafts, notes, or orders, or any of such persons in their individual capacities or not, and whether such checks, drafts, notes, or orders are deposited to the individual credit of the person so signing and/or countersigning said checks, drafts, notes, or orders, or to the individual credit of any other officer or employee of Sangamon State University. This resolution shall continue in force and the financial institution may consider the facts concerning the holders of said offices, respectively, and their signatures to be and continue as set forth in the certificate of the Secretary of the Board of Regents, accompanying a copy of this resolution when delivered to said financial institution or in any similar subsequent certificate until written notice to the contrary is duly served on the financial institution in which the funds are deposited and withdrawn.

3. Personnel transactions for faculty and other employees, including recommendations for faculty and administrative salaries for FY78. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
4. A list of purchases from Operating Funds and Institutional Funds, as appended to the President's Report.
5. Planning and Development

- (a) Employment of Architectural and Engineering Firms in Connection with Master Planning and Consulting
Permission was requested to execute agreements for FY78 with the following consultants in amounts not to exceed those indicated:

(1)	Murphy, Downey, Wofford, and Richmond, St. Louis, Missouri	\$4,500
(2)	Brown, Davis, Mullins, and Associates, Champaign, Illinois	\$3,000
(3)	Collins and Rice, Inc., Springfield, Illinois	\$4,500
(4)	Hormaz Vania, Springfield, Illinois	\$3,000

Payable from FY78 Operating Funds.

- (b) Agreement for Leasing of Student Housing Facilities
The following Resolution was presented pertaining to the lease of student housing facilities:

RESOLUTION

RESOLVED that the Board of Regents acting for Sangamon State University be and it is hereby authorized to enter into a lease for student housing facilities of 25 apartment units owned by Garden Court, Inc., located at 902 South 25th Street, Springfield, Illinois, for one year beginning August 1, 1977, and ending July 31, 1978, at a monthly rental of \$3,650 or an annual rental of \$43,800, being at the rate of \$146 per month for each apartment unit including stove and refrigerator. Rental shall be paid by the University first applying all payments received from the University students leasing the housing units. Deficits, if any, shall be paid from the balance of the preallocated reserve available for this purpose until the same has been exhausted. Authority is granted Franklin Matsler as Executive Director of the Board of Regents to make minor variations in the proposed lease terms consistent with major policy, rights, and obligations of the parties to the lease.

Fund Sources: Revenues derived via subleasing apartments to students and the balance of the financial reserve created from Auxiliary Enterprise Funds, Account No. 18-102, as approved at the March 21, 1974, Board of Regents meeting.

President Spencer noted that a report on the leasing of student housing facilities had been sent to the Board in advance of the meeting, and the second part of this report had been distributed today - a report on the fiscal aspects. He asked Mr. Homer Butler to present the matter to the Board.

Mr. Butler said the Board had before it the report which he had prepared, so he would not repeat that information. He reviewed briefly the experience with leased housing for students at Sangamon State, and described the results of an analysis of the vacancy rates in Springfield from 1970 to the present time in multi-unit apartments, and the costs of such units.

The Garden Court facilities, he said, have become available because Concordia Seminary left Springfield recently, and a large number of seminary students had been housed there. This is one of the lower cost apartment complexes in Springfield that is available, he added, but if students were to lease them directly, even though the rent is fairly reasonable, they would still have to come up with a \$175 deposit, plus sign a 12-month lease, and this is difficult for them. Additionally, he said, they must submit to a credit check which is another obstacle for individual students.

President Spencer said the report circulated to the Board indicates the difficulty of providing student housing in a commercial market. There are no rooming house districts around the campus, and the housing market in Springfield has been tight as well as expensive. Dr. Goins further explained that the reason the University is interested in continuing some form of leased housing is that

when they go to the open market students are forced to pay higher prices for apartments than students at the other public universities, as shown by a comparison with other institutions in Illinois. At SSU, exclusive of utilities, the average rental for a two bedroom apartment is \$217.00 per month. Under the leased housing which they had in the past they were able to reduce this to \$195.00, and with the proposal now before the Board, the figure could be further reduced to \$190.00. Some of the units will house three students, and others two, so that the rent will vary among the units. The President, he said, is attempting to come up with a permanent solution and has submitted an application to the college housing program, and he is also exploring other possibilities. Dr. Goins then reviewed the financial report for the SSU housing operations which had been distributed to the Board as part of the President's Report.

Mr. Murray inquired who, under the terms of the proposed lease, would bear the responsibility for damages and for normal repairs and maintenance. Normal repairs and maintenance costs are borne by the owner, Dr. Goins advised. Damages beyond that are the responsibility of the University, and it has agreed to make a \$2000 security deposit for damages over and above the normal. Mr. Murray asked if the experience had been significant in the past with regard to damages. It has been just about normal, Dr. Goins responded, and in the three year time frame, they had paid less than \$1500 at the termination of the contract. The expectation is, he added, that with the University supervising the housing, it will be able to maintain a much tighter control than before.

Mr. Murray said he did not notice any particular allocation for University management, and he asked if any projections had been made on this. What will it really cost in terms of manhours to manage this? There are two aspects involved in this, the President said. One is the collection of rents, which process is handled through the Comptroller's Office at the University; and the other is the housing officer in the Office of the Dean of Students who helps students, wherever they live, with locating housing opportunities, negotiating leases, etc. Staff investment is rather small in proportion to what it might be if they had an on-campus situation.

President Spencer said he had one other item to present to the Board. The Auditor General is asking the Illinois Educational Consortium to shed its banking role, and for the University to find other ways to finance its existing computer contract. He then distributed copies of the following Resolution, which was prepared too late to be included in his Report, but he noted that it had been reviewed by Legal Counsel for the Board. Mr. Winning advised that this is the matter to which earlier reference had been made, and involves the question of whether the IEC, as organized, is incurring debt within the prohibition of the Constitution on behalf of the universities and doing what the universities cannot do themselves. System counsels have had a meeting on this, Mr. Winning reported, and even though they do not concur with the previous position of the Auditor General, there are some questions about the form of the instruments by which these items are being leased; and consequently, they believe it desirable to remove this question

with regard to current leases and prepare a form of lease where they can have a good basis upon which to test the question, if they want to test it. This Resolution will authorize Dr. Matsler to terminate the lease with the Consortium and to execute a lease with a private third party, which will satisfy the Attorney General and the Auditor General and will produce the same results under the present conditions of the lease/purchase agreement.

RESOLUTION

BE IT RESOLVED that the Board of Regents, a body corporate and politic, acting for Sangamon State University authorizes the Executive Director of the Board of Regents staff to terminate the existing contract between the Board of Regents and the Illinois Educational Consortium, Springfield, Illinois, for the lease/purchase of a Hewlett-Packard 3000 computer system with related peripheral equipment as authorized by the Board on November 20, 1975, and the contract with the Illinois Educational Consortium for the lease/purchase of 10 computer terminals as authorized by the Board on September 16, 1976.

BE IT FURTHER RESOLVED that the Board of Regents acting for Sangamon State University hereby approves the execution of a lease/purchase contract with a third party vendor for the equipment described above. Said lease/purchase contract with a third party vendor shall be in an amount not to exceed the total amount remaining to be paid under the above-referenced contracts with the Illinois Educational Consortium.

Mr. Patterson moved for approval of the Report of the President of Sangamon State University, as amended; and further that the salary of the President of Sangamon State University for the next year be established at \$48,800. The motion was seconded by Mr. Shuman, and it carried unanimously.

Northern Illinois University - President's Report

Before presenting the Report of the President of Northern Illinois University, Vice President and Provost William Monat asked that on page 20 (Buildings and Grounds, Item B.7.) a correction be made in the amount of the change order referred to from \$42,881.23 to \$50,989.87. He asked that on page 34 (Faculty Appendix), the title of Franklin Van Buer be corrected to read Acting Associate Budget Officer. Copies of two Addenda to the Report were distributed:

(1) tabulation of bids received for demolition of houses; and (2) contract for services to NIU Students at Kishwaukee Community Hospital Emergency Room.

Information reports were presented on:

Status of Undergraduate Admissions for Fall 1977

Degrees Granted May 1977

Enrollment by Headcount, Spring Semester 1977

Grants and Contracts (Research, Institutes, and Studies)

Gifts to Northern Illinois University and NIU Foundation

Fire Protection Agreement

The following items were submitted for Board action:

1. The University Academic Calendar for 1978-1979.
2. Personnel transactions for faculty and other employees. Included were recommendations for faculty and administrative salaries for FY78; requests for new positions; and a report of faculty receiving more than 100% salary for the second semester, 1976-77. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
3. Presented for approval was a collective bargaining agreement for ten maintenance and food service employees located at the Lorado Taft Campus, between the Board of Regents and AFSCME.
4. Permission was requested to pay \$9000 for membership in the Mid-American Conference in two equal installments for FY78.
5. Permission was requested to compensate the Tabala Temple, A.A.O.N.M.S. of Rockford, Illinois for sale of tickets for the football game on September 3, 1977 at the rate of \$2.00 for each \$5.00 and \$6.00 ticket sold.
6. Permission was requested to continue using the North American Credit Service, Inc., during FY78 for collection services.
7. Permission was requested to make a partial refund of tuition and fees to John Fields in the amount of \$133.25.
8. Permission was requested to contract with Kishwaukee Community Hospital for provision of physician-attended emergency room services from 6:00 p.m. on Friday through 6:00 a.m. on Monday, and from 6:00 p.m. to 6:00 a.m. on the remaining nights of the week. The contract is in the amount of \$35,000 for a one-year period, that amount to be applied against the deductible provision of costs not covered by the health insurance package. Provision will be made for review of the contractual arrangement with full disclosure at the end of the first six months of experience. Payable from University Health Service, 41-30182-670.
9. Purchases from Operating Funds, Revenue Bond Funds, Institutional Funds and Capital Funds were presented for approval, as appended to the Report of the President.
10. Buildings and Grounds
 - (a) Multi-Level Parking Facility
A tabulation of bids received for the demolition of 8 houses on the site of the parking facility was presented, with a recommendation that the low bid be accepted and a contract awarded to North Side Used Auto Parts, Sycamore, in the amount of \$19,950.00.

- (b) Closed Circuit TV and FM Distribution System for Residence Halls and Holmes Student Center

Permission was requested to employ the firm of William J. Sako and Associates, Inc., Mount Prospect, Illinois to perform as a consultant and assist in preparation of specifications, evaluation of bid proposals, project inspection and final acceptance tests. Contract is in the amount of \$8,210, payable from Revenue Bond Funds.

- (c) Rehabilitation of Shower Rooms in Stevenson South

Because it has been found that additional work to that originally specified is necessary, concurrence and approval was asked for the addition of a contingency fund in the amount of \$800.00 to the project budget established in February as \$7,356.00. Payable from Revenue Bond Funds, Stevenson South, 27-52230-772.

- (d) Rehabilitation of Shower Rooms in Stevenson North

Because it has been found that additional work over and above that specified originally is necessary, concurrence and approval was requested for the addition of a contingency fund of \$800 for the project. Original project budget was approved in February in the amount of \$7,960. Payable from Revenue Bond Funds, Stevenson North, 28-52430-772.

- (e) Remodeling Projects in Evans Field House

A tabulation of bids received for remodeling of the Business Manager's Office and the Basketball Office was presented with a recommendation that the low bid be accepted and a contract awarded to Swedberg & Associates, Inc., Sycamore, in the amount of \$16,155. Total project including contingency of \$800 is \$16,955. Payable from Revenue Bond Funds, Field House, 20-50130-950.

- (f) Remodeling Swen Parson Library - Phase II

Board approval of the design development drawings for Phase II of this project had been granted earlier in the meeting. Permission was also requested for the architect to complete final plans and specifications, to advertise and receive bids for the project.

- (g) Gabel Hall Remodeling - Phase II

Board approval of the design development drawings for Phase II of this project had been granted earlier in the meeting. Permission was also requested for the architect to complete final plans and specifications, to advertise and receive bids for this project.

- (h) Holmes Student Center - Parapet Wall Rehabilitation

During the rehabilitation work, the architect has found that deterioration of the exterior wall was greater than anticipated. At the request of the architect, the contractor has submitted a change order proposal to cover the cost of the work involved on a time/materials basis, not

to exceed \$50,989.87. Permission was requested to increase the contingency for the project from \$50,000 to \$70,000, the additional amount to be used only if necessary.

- (i) Grant and Stevenson Towers - Repair of Roof and Flashing
A tabulation of bids received was presented, with a recommendation that the low bids be accepted and contracts awarded as follows:

<u>Grant South A & B</u>	
Carlson Roofing Company, Rockford	\$3,104.00
<u>Grant North C & D</u>	
Carlson Roofing Company, Rockford	\$3,104.00
<u>Stevenson South A & B</u>	
Carlson Roofing Company, Rockford	\$3,104.00
<u>Stevenson North C & D</u>	
Carlson Roofing Company, Rockford	\$3,104.00

Total project budget, including contingencies of \$684.00 is \$13,100.
Payable from Revenue Bond Funds: Grant South - 25-51930-772;
Grant North - 26-52130-772; Stevenson South - 27-52230-772; and
Stevenson North - 28-52430-772.

- (j) Lorado Taft Electrical - Lorado Taft Campus
Board concurrence was asked in award of contract by the CDB in the amount of \$31,229.00 to Rockford Blacktop Company, Rockford.
Payable from Capital Development Board Funds, 141-51144-6600-1200.
- (k) Dorland Building Sprinkler System
Board concurrence was asked in award of contract by the CDB to S. J. Carlson & Son, Rockford, in the amount of \$24,854.00.
Payable from Capital Development Board Funds, 141-51144-600-1200.
- (l) Repair of Sidewalks - General Campus
Permission was requested for the University to prepare plans and specifications, advertise and receive bids for repair of sidewalks in various locations on campus. Estimated cost of the project is \$10,000, and no architectural/engineering fees will be charged. Payable from General Revenue Funds.

Mr. Patterson moved for approval of the Report of the President of Northern Illinois University, as amended, and further, that the salary of the President of Northern Illinois University for FY78 be established at \$48,200. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Illinois State University - President's Report

President Watkins commented this is his first meeting as President of ISU, and it now appears that he has come to the end of the "honeymoon" period. He noted that the event known as the Rites of Spring has been cancelled, and while he suspects there may be some attempt to create a furor, he is pleased to say that

the majority of the student leaders have indicated that they are willing to work toward something that will be acceptable, responsible and controllable. Vice President Gamsky is looking forward to working with them to achieve a satisfactory alternative.

Dr. Watkins said that at the last meeting of the Board the University was directed to review its procedures on charter flights. This has been done, he reported. The University has, in all instances, attempted to secure competitive bids on charter flights and, certainly, has always advertised for them. The small volume of air travel involved gives the University very little impact with major airlines, he advised, and the institution has been given considerable assistance by travel agencies on the logistics involved. The University hopes that the Board will allow it to continue to work through the travel agencies. They are helpful, he added, and it costs the University nothing extra. The University will continue to seek bids in all cases from reputable airlines. President Watkins stated that as far as he can determine, the award patterns do not indicate any kind of working together or taking of turns to get the business. Last month the suggestion was made that the University of Illinois be contacted to see how these matters are handled there. Mr. Harold Burns, Comptroller at ISU, found that for years the U. of I. has used United Airlines almost exclusively. During this past year they did receive bids from Ozark and some of the business was awarded to that airline. As far as has been determined, their practice over the recent years has been to not competitively bid their charter flight business. President Watkins said he feels that what I SU is doing is defensible, and they intend to continue to get competitive bids and award the contract to the lowest bid for comparable and safe service.

Information reports were presented on:

- Admissions for Fall Term 1977
- Degrees Awarded December 1976
- Grants and Contracts (Research, Institutes and Studies)
- Illinois State University Foundation Gift Report
- Fire Protection Agreement
- Bond Redemption, Series 1965

The following items were presented for Board action:

1. The proposed 1978-79 Academic Calendar.
2. An Amendment to the University Constitution to provide that there shall be a Professional-Technical Staff Council with appropriate By-Laws. The Executive Committee of the Council shall meet monthly with the President to express their views on institutional policy and to advise the President on matters of concern to the Professional-Technical Staff.
3. Personnel transactions for faculty and administrative staff and for civil service employees, including recommendations for faculty and administrative salaries for FY78. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.

4. Purchases from Operating Budget, Revenue Bond Budget and Buildings Budget, as appended to the President's Report, were presented for approval.

Mr. Shuman said he must compliment President Watkins on his decision with regard to the Rites of Spring. He noted that he attended the Board meeting immediately following that event last year, with a determination to propose action by the Board to discontinue the Rites of Spring, but he had been convinced by the then President that he should hold off until a proper investigation could be made. Mr. Shuman said he thinks it unfortunate that the new President has had to make the decision. This was a terrible thing to have thrust upon this Board by irresponsible actions, and he again complimented President Watkins on his decision.

Dr. Martin concurred with Mr. Shuman, adding that everyone is pleased that President Watkins is on board; and after a period of short tenure, he believes everyone is looking forward to a long tenure for the new President.

Mr. Patterson then moved for approval of the Report of the President of Illinois State University, including a strong endorsement of the President's recent action with regard to the Rites of Spring. The motion was seconded by Dr. Martin, and it carried unanimously.

There being no further business before the Board, the Chairman declared the meeting adjourned. The next regularly scheduled meeting of the Board of Regents will be held on September 15, 1977 at Rich South High School, 5000 Sauk Trail, Richton Park, Illinois.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Rich South High School
Richton Park, Illinois

September 15, 1977

The regularly scheduled meeting of the Board of Regents convened at 10:25 a.m. on Thursday, September 15, 1977 in Rooms 107-109 of Rich South High School, Richton Park, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order, roll was called, and the following Regents were present:

Ms. Carol K. Burns	Mr. Charles B. Shuman
Dr. Dan M. Martin	Ms. Kimberly A. Theobald
Mr. James M. Patterson	Ms. Jill Welander
Mr. Richard Resnik	Dr. Harry L. Wellbank
Mr. David E. Murray, Chairman	

The following Regents were not present for the meeting:

Mr. Michael J. Brady	Mr. Guy V. Prisco
Mrs. Eleanor R. Suggs	

Also present were:

Mr. Richard J. Nelson, President, Northern Illinois University
Dr. Robert C. Spencer, President, Sangamon State University
Dr. Lloyd I. Watkins, President, Illinois State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

Others in attendance included staff members from the Universities and the Central Office; Mr. James M. Winning, Legal Counsel to the Board; members of the Joint University Advisory Committee; and representatives of the news media.

The minutes of the meeting held on July 28, 1977 had been distributed prior to the meeting. The Chairman asked if there were any corrections or additions to be proposed, and there being none the minutes were unanimously approved as submitted.

Continuing with the agenda, the Chairman advised that ratification of items submitted during the month of August for preliminary approval would take place along with approval of the Presidents' Reports for September.

On behalf of the Board, Mr. Murray thanked Rich South High School for the hospitality extended to everyone the preceding evening. As noted last night at

dinner, he said, this is the first time that the Board of Regents has met outside the city of Chicago or on one of the Regency campuses. The meeting last night was not only enjoyable but also a successful experience involving the Rich Township people as well as Regency alumni. Mr. Murray said he wished to particularly thank Mr. Patterson for making all of the arrangements for a most enjoyable event.

Mr. Murray announced that the AFSCME matter would be considered under the agenda item of CHAIRMAN'S ITEMS. Also, he said, for those persons interested in the matter of the Ombudsman at NIU, this would be considered at the time the President's Report was presented to the Board, and time would be allotted for individuals to make presentations or statements.

CHAIRMAN'S ITEMS

NIU Clerical Union Election

By way of background, Dr. Matsler explained that the statements to be presented concern the election held at NIU several weeks ago relative to the possible decertification of the AFSCME clerical union on the campus. There are those on campus who feel the election was not properly conducted, and apparently some who feel that the rules and regulations which underlay the election possibly need to be changed. There are others who will be speaking in favor of the way the election was conducted and the results of the election themselves. The first presentation, he said, would be made by Miss Lucy Paschke, a representative of the American Federation of State, County and Municipal Employees.

Mr. Gilbert A. Cornfield, attorney for AFSCME, advised that unless the Board objected, he would make the presentation for the group. He noted that Miss Paschke is chairperson of the group.

Mr. Cornfield advised that Miss Paschke had just distributed to the Board copies of a statement which he had prepared. He said he would not repeat what is contained in the document, but he asked that it be made a part of the proceedings of the meeting. Mr. Cornfield highlighted some of the matters contained in the written statement. He indicated his dissatisfaction with the existing regulations concerning the election of collective bargaining units in the Regency System and the way in which the decertifying vote was conducted by the Arbitrator, Mr. Jeffry Winton.

Mr. Murray thanked Mr. Cornfield for his presentation. He then recognized Miss Pam Long to address the Board.

Miss Long explained that she has been a clerical employee at NIU for the past 11 years, and that she was accompanied today by five of her colleagues whose combined years of service at NIU represent a total of 57 years. She thanked the Board for providing an opportunity to speak in opposition to the union, and advised that her remarks would be brief.

Miss Long concluded her statement by saying that the policies of the Board of Regents concerning the election are reasonable, fair and sound; and that the responsibility for acquiring and proving that majority representation exists lies with the union and not with the administration. Opponents of the union ask that the Board consider the facts of the case which show that the request presented to the Board by the union should be denied.

Mr. Murray thanked Miss Long for her statement and suggested that if anyone had questions, perhaps Miss Paschke or Miss Long would be available to respond.

Mr. Cornfield said it is the Board which has to certify the election because Mr. Winton's report was made to the Board. There are two questions, he said: first, under the rules adopted by the Board of Regents in July 1976, what should have been or what was the size of the eligible unit to determine whether AFSCME received a majority of the votes? The other question is whether or not a new election should be conducted because of objectionable conduct. Obviously, he added, if the eligible unit is 471 employees or less, then the union won the election under the Board's rules.

Mr. Patterson said he has heard all of these arguments before. What it boils down to, he said, is that everyone knew in advance that there was going to be an election and that it took 240 votes; but only 235 showed up and voted to retain the union.

Mr. Patterson then moved that the Board approve the recommendation of the University and decertify the union under the rules of the Board. The motion was seconded by Mr. Shuman.

Mr. Murray said he assumed under this motion that the Board would be certifying the results of the election and thereby decertifying the AFSCME union.

Ms. Welander said the only thing which concerns her is the bias involved in the use of the bulletin boards and the intra-university mail. One side was able to use the University facilities, and the other side was not.

After further discussion by members of the Board, Mr. Murray said it appears that the Board has two approaches. One is to follow the motion before the Board and approve the University recommendation. The other is that there have been some factual matters raised here, and the Board could set the matter over and direct its Staff to investigate the charges and report back to the Board.

The Chairman then recognized Dr. Michael Salovesh and asked him if he could shed any additional light on the matter, other than what had already been reported to the Board.

Dr. Salovesh said he had been specifically requested by COUP, which consists of the NIU chapters of AAUP, IAHE and AFT, to present a statement. Realizing that the Board is pressed for time, he said he would simply deliver the statement to Dr. Matsler and leave it at that. A part of the statement, he pointed out, states that it is not their business to tell anyone else whether they should or

should not enter into collective bargaining. They are interested in a fair election, however, Dr. Salovesh stated.

Mr. Resnik said he believes it is the clerical workers' right to determine their own fate. Perhaps if they feel that the election process was handled in an unorthodox manner, there would be no problem in letting them decide their fate once more, later in the year when more employees are present. He is concerned, he said, that perhaps the clerical workers did not determine their own fate, and that maybe it was a matter of circumstance that things came out the way they did.

The question before the Board was called for a vote, and the motion carried with Ms. Burns, Dr. Martin, Mr. Patterson, Mr. Shuman, Dr. Wellbank and Mr. Murray voting Aye. Student Regents recorded votes as follows: Ms. Theobald, Aye; Mr. Resnik and Ms. Welander, Nay.

REPORTS TO THE BOARD

Board of Higher Education Meeting

Dr. Matsler reported that the Board of Higher Education at its September meeting formally adopted the plan for educational television, and that he would be sending copies of the plan to members of the Board of Regents. As reported to the Board sometime ago the State has been divided into various regions and the ETV Commission will be attempting to organize them in a way in which state funds, if they are to be used, will be allocated equitably. Also, there was some discussion of the Governor's letter to Dr. Prince. Regents would recall, he said, that this letter was shared with them last month. This letter relates to the big issues the Governor will be facing in the years ahead - the problem of decreasing enrollments, and the added costs for public as well as private higher education. Dr. Matsler said they had received a summary of the letter and some possibilities of what might be done, but the BHE took no action on the matter. They did assure people in the systems and the institutions that they would take no unilateral action on the studies, and that everyone would be included in this.

Joint University Advisory Committee

Mr. Koltun, Chairperson of JUAC, introduced two new committee members: Mr. John Colman, Director of Residence Hall Food Service at NIU; and Mr. Dane Selby, an undergraduate Psychology student and an employee of the State Department of Personnel.

JUAC members met earlier in the day, Mr. Koltun reported, and the most important matter discussed was their concern with the funding of the State Universities Retirement System. At the end of August 1976 the System deficit based on services rendered by the members was \$659,000,000, an increase in the deficit of nearly \$200 million over the most recent three year period. Concerns have also been raised about the investment policies of the State Universities Retirement System. Beyond these concerns, communication with the staff of the System has been difficult. The Employees Advisory Committee meets just twice a year, in what can be called a pro forma exercise. The location of the System's office in Champaign may hinder interaction with administrative bodies

located in Springfield as well as with important legislative bodies. A letter writing campaign by the presidents of the faculty senates around the state may have been responsible for the funding level this year, Mr. Koltun said. The questions JUAC raises, he said, are can the role and relationship of the State Universities Retirement System relative to the legislature, the Bureau of the Budget and the Illinois Pension Laws Commission be clarified insofar as advocacy of funding levels is concerned. If the response is that employees must lobby to achieve statutorily mandated funding levels, then they will know what they have to do. Secondly, how can we force the governance of the System to be more responsive to the employees? Thirdly, how can we best express to the Governor our concerns about the future of the Retirement System? Mr. Koltun said he was sorry that Mrs. Suggs was unable to be present for today's Board meeting inasmuch as she is the Regency representative to the Retirement System. Nevertheless, Mr. Koltun concluded, JUAC is actively concerned about these issues and wants the Board of Regents to be aware of this fact.

Mr. Murray welcomed the new members of the Committee. He said he knows that funding of the Retirement System has been a concern of all members of the Board and they will continue to do what they can about these justifiable concerns. The System has become deeper and deeper in difficulty. The Governor's administration is also concerned about this, Mr. Murray noted, but thus far no solution has been found.

EXECUTIVE DIRECTOR'S REPORT NO. 91

Section I - Retirement Annuity Plan - Approval of Additional Company

Dr. Matsler reported that one additional company has been approved to write annuity contracts under the Retirement Annuity Plan, bringing the total number of approved companies to sixteen. After having met all of the required qualifying conditions, Aid Association for Lutherans was approved on August 22, 1977.

Section II - Comprehensive General Liability Insurance/Board Member and Employee Liability Insurance

Dr. Matsler advised that Staff is recommending that the Board approve the \$99,367 and \$19,000 premium rates for the third year of the term which commenced on September 1, 1975 for Comprehensive General Liability coverage and Board Member and Employee Liability coverage, respectively. It is also recommended that the Board direct its Staff, in conjunction with university personnel, to study the continuation of such coverages beyond August 31, 1978, in view of the present high cost and the possibility of even higher premium rates in the future.

Mr. Murray asked if any consideration has been given to self-insurance or perhaps a \$100,000 deductible. Mr. Keating said these are some of the options being studied. He added that the Regency System is not alone in this problem and that we are working with other systems in the State.

Dr. Wellbank moved for approval of the Staff recommendations. The motion was seconded by Mr. Shuman, and it carried unanimously.

Section III - FY79 Capital Appropriation Request

The capital appropriation request for the Regency System for FY79 is in the total amount of \$28,549,200, Dr. Matsler advised, and he called attention to the summary of the request in his Report, showing that \$15 million of this amount is for buildings, additions and structures. The largest share of the balance is for remodeling and rehabilitation in the amount of \$9,216,400.

For the benefit of those in the audience who might think that the Board is making a lot of decisions without very much review, Dr. Matsler noted that complete programs for each of the projects had been sent to the Board of Regents, and staffs have been reviewing these projects for a number of months. The programs themselves are very carefully prepared, and a summary of each is contained in his Report.

Mr. Donald Beahringer of the Central Staff prepared this section of the Executive Director's Report, Dr. Matsler advised, and would be available to answer any technical questions which might arise. He noted that the budget officers from the three institutions are also present at the meeting.

Dr. Matsler then quickly reviewed the requests as follows:

Illinois State University is requesting a total of \$13,345,000, of which \$6,260,000 is for projects approved by the Board in FY78. The major portion of this request is for new buildings totaling \$7,237,000, with remodeling and rehabilitation requests making up the second largest category at \$4,790,000. Also requested are equipment at \$360,000, utilities and site improvements at \$329,000 and \$237,000, and planning at \$392,000. Staff supports all of the above, he said, with the exception of the planning request, and has recommended that the Code Deficiency study be deleted at \$50,000.

Northern Illinois University is requesting a total of \$5,746,700 with \$2,775,000 representing FY78 projects approved by the Board. Although NIU has requested no new buildings, planning funds are included for an addition to Faraday Hall. The request is as follows: \$3,174,300 for remodeling and rehabilitation, \$1,528,200 for various site improvements, and \$286,200, \$408,000, and \$350,000 for land acquisition, utilities, and planning. Staff supports all of these projects in the amounts shown.

Sangamon State University's capital request totals \$11,607,100, of which \$850,200 represents unfunded FY78 projects. The bulk of this request is for a new laboratory building at \$9,961,000. Other categories include funds to complete at \$57,100, remodeling and rehabilitation at \$1,252,000, utilities, site improvements, planning, and cooperative improvements at \$44,900, \$226,400, \$30,000 and \$35,600 respectively. Staff recommends that the laboratory building be reduced in scope and that the building be approved at \$7,861,400. Staff at SSU have agreed with this recommendation.

Illinois State University

Mr. Murray asked if it is correct that Milner Library is still vacant and not being used for anything.

President Watkins explained that ISU has just begun the first part of that renovation since the money did not become available until July when the Governor signed the bill. Phase I of the renovation of Milner will amount to \$500,000 which will enable them to put a portion of the College of Business into those quarters and to vacate a portion of Turner Hall. The project is just barely underway, if it is even started, he added.

Vice President Belshe added that architecturally the project is underway, but the money has not yet been released by the Capital Development Board.

Dr. Matsler directed the Board's attention to pages 14-16 of his Report where each of the projects is described. He noted that on page 14 the amount being requested for Felmley Hall equipment should be corrected to read \$299,000.

Mr. Shuman said his comments are not directed only to ISU, but to the other universities as well. With the predictions on reduced enrollments, he said he finds it rather difficult to be enthusiastic about new buildings, although he can be about remodeling projects. He recognizes that there are some needs, for instance, the Agriculture Laboratory which is rated quite high in the priority rankings, but he does not understand why the Centennial addition would cost \$4.5 million. The justification seems to be the noise of music practice seems to interfere with theater. That seems to be a rather high price tag for elimination of that kind of interference. Perhaps we should have a report on whether or not insulation could take care of that problem, he suggested.

Dr. Matsler said perhaps Dr. Belshe could speak to this, but first he would say that Staff feels that there is a lack of proper space for these departments, and the additional space will be used appropriately. The total amount of space will not show that ISU is underutilized when one uses the standards which are used by Mr. Beahringer when he prepares these reports.

Dr. Watkins said he would defer to Dr. Belshe to comment on the possibility of insulation being used, but first he advised the Board that during the eight weeks he has been at ISU he has been in every building on campus. He happened to visit this particular area in mid-afternoon until late afternoon, and the problem is very, very severe. It is compounded by the fact that their Fine Arts facilities were built when ISU was basically a mono-purpose college. It has now become a multi-purpose university. The Fine Arts area has had very fine growth, and the fact of the matter is that they do not have enough space nor anyplace else to put them. Dr. Watkins said his recollection of statistics is that ISU's space ratio is among the lowest in the State. It has space that was created years and years ago before ISU had a thrust in the Fine Arts, trying to serve three areas - Art, Theater, and Music. Dr. Watkins said the noise carries through the duct system. When Theater is in operation, one cannot practice. There is only

one stage, and Theater and Music both want to use it, so how do you get around that when there are sets on stage. He said he wishes there were another solution, but the problem is that first, there is insufficient space for the College of Fine Arts, and the possibility of making the space work for the two areas seems to him to not admit of a possible solution. What they are suggesting in the Centennial Hall addition is to provide area for music practice and for music recitals, to free up space currently used for Drama, and also they need additional space for Art. They realize, of course, that there is that ominous cloud on the horizon about enrollments not holding through the 80's, although a report he has seen recently indicates that by 1990 they should be back to where they were in about 1975 - which for ISU would be right about where they are today. Their problem is that specialized space has not been provided in the past to keep up with where they are today. With 19,000 on campus, with 8,000 in the residence halls, the need for additional intramural space is also critical, and they have asked for planning money for that. The President said he has looked at the suggested improvements to determine whether the institution was providing the Board with legitimate needs, and he could say that they are. ISU is behind, they need some catch-up, and particularly they do need these kinds of specialized areas for the present thrust of the University. The President asked Dr. Belshe to comment on what he knows about the possibility of soundproofing the building, although he personally believes that it would be very expensive, and it would still provide insufficient space.

Dr. Belshe agreed that even if it were possible to soundproof the building the space will still be inadequate. They have had acoustical engineers involved and they did try to soundproof one practice area, and with the best advice obtained, they still cannot get the job done. It is essential, he said, to separate the areas both for sound and to get the total space needed.

Mr. Beahringer advised that last year the Board did approve \$100,000 to look into this problem, but the legislature did not appropriate the money. The University did hire a consultant to investigate the problem. But to speak to Mr. Shuman's concern about new buildings, Mr. Beahringer said Staff shared this concern, but everyone of the buildings being recommended is for a specialized facility for which they cannot find a way to remodel. That is the reason they are contained in these requests.

Mr. Shuman noted that last year the System had a capital request of X number of dollars, this Board reduced it by about 10%, it then went to the BHE, and if he recalls correctly the cut made by that board was not quite as severe as it was for some of the other institutions whose governing boards were not as inclined to hold down. Mr. Shuman said he thinks it is realistic to assume that the universities have included a few items in their requests which, by their own admission, are ranked down in priority and they probably do not expect to get them this year. It is also realistic to assume that the Board of Higher Education is going to whack us again this year and perhaps the Governor and the legislature will take further cuts. Mr. Shuman said his problem is that he does not know what the best strategy is, and perhaps Dr. Matsler could comment on whether it is better - knowing that you are going to be cut - to go in with figures that are padded a little.

The priorities, Dr. Matsler said, are of course established throughout the year. We first establish institutional priorities - he noted that the Centennial addition is No. 13 on the list of priorities. But it is very, very important - as we plan the way we do in Illinois - to attempt to get these projects into the works. Sometimes it will take perhaps two or three years to get a particular project into a high priority, but it is necessary to plan ahead. When Staff comes to the Board, it feels that it is an appropriate request, and is not trying to pad the budget. Looking at the total utilization at Illinois State, the total square footage, and comparing it with the number of students, Staff feels the request is legitimate on that basis, and on the basis of specialized space which Mr. Beahringer spoke to. The strategy we have here is, indeed, as Mr. Shuman said, to present to the Board of Higher Education a rather lean list, and he suspects that it will be leaner than the other systems' lists. This request has been massaged and each project has been examined. Mr. Beahringer and the university staffs have attempted to adjust, usually downward, some of the dollar amounts behind these projects. Dr. Matsler said he would rather see us go ahead with this procedure rather than to arbitrarily cut, say, \$5 million out of the \$28 million request, simply because we really would not know where the priorities would lie when all of the priorities from the three institutions are melded.

Mr. Shuman said he is not opposed to that, but as a specific example, the BHE cut out \$100,000 of planning money which we had in a lean request last year, and yet we got along without it.

What the university had to do, Dr. Matsler said, was take from contractual services the money to hire a consultant primarily to lay out a program which we can, indeed, sell to the Board of Higher Education and to the legislature. We were penalized. Mr. Shuman said we did not spend \$100,000 for the consultant. No, Dr. Matsler agreed, but neither are we properly planned either. It would appear, Mr. Shuman said, that what we ought to do is cut out all of the planning items.

Mr. Beahringer said he would remind the Board that in the Executive Director's Report there is a statement to the effect that we started out with \$50 million in requests from the universities, and all of them were necessary. All of them got together and came up finally with \$28 million to present to the Board. This was done because staffs know the lean condition of the State and the way the BHE is operating. But, he said, if we do not show our needs to the BHE and the legislature, then everyone says that these can't be very important because we have not asked for them before. We must put these on the table for the BHE and the General Assembly to show them what our needs are, even though we may not get all of them this year. But at least they will know what our needs are.

To reinforce what Mr. Beahringer said, Dr. Watkins advised that the first thing he had to do when he arrived at ISU was to look at a much longer list than what has been presented to the Board here, and decide where the most urgent needs could be prioritized. He feels very strongly, he said, that there is nothing included in these requests which is not very seriously needed to insure academic quality and the quality of the lifestyle they want for their students.

Ms. Theobald commented that she could testify from her own experience that the situation in Centennial Hall is often obnoxious; and trying to get enough time in the building is difficult and very frustrating. As to a request which is very low on the list - the replacement of radiators in McCormick Hall - this is also very important, Ms. Theobald said, because the noise there is sometimes horrendous while an instructor is attempting to lecture.

Mr. Patterson moved for approval of the FY79 Capital Appropriation Request for Illinois State University in the amount of \$13,295,000 as recommended by the Staff. The motion was seconded by Ms. Burns, and it carried unanimously.

Northern Illinois University

Dr. Matsler advised that the NIU list of requested projects and the priority assigned to each could be found on page 10 of his Report. He reminded the Board that the approval status of the projects relates to the history of the projects: N - new project; R - approved by the Board of Regents before; B - approved by the BHE before; L - previously approved by the Legislature. Many of these projects are being presented for the second and third times.

Dr. Matsler noted that Land Area A has been on the list for many, many years, and it hoped that this year we will get it.

President Nelson said it is obvious from the total involved that Northern's request is a very modest one. They have responded to the discussion of a year ago on the issue of the College of Business housing, and are proposing a remodeling of Wirtz Hall to house the College. Since the last time this was discussed with the Board, NIU has received accreditation of its MBA Program. Demand for places in the program is very great, the President said, and in recent weeks he has received several letters of protest from persons who are graduates of NIU and who are upset because they have been denied admission into the MBA Program. They are turning people away because they do not have the space and the University is determined that it will continue to meet the standards of the accrediting agency in terms of class size and faculty load.

President Nelson said he trusts that the Staff of the Board, when it is setting the priorities for the entire Regency System, will consider the fact that NIU's request is a modest one and that this would be weighed carefully in terms of System priorities.

Referring to the request for \$350,000 for planning an addition to Faraday Hall, Mr. Shuman inquired if this includes architects' fees, engineering fees, design, etc.? If that is what is involved, this must be quite a large addition, he said.

Dr. Matsler said this request is just for planning money. President Nelson noted that this had been discussed with Staff - whether they should go ahead and ask for the construction funds now. The University concluded that they would not, but it probably doesn't make a great deal of difference because it will probably take a year for the planning.

Mr. Shuman said he was not challenging whether or not the addition is needed, but it seems to him that we are kind of backing into this when we approve between a quarter and a half a million dollars for planning, when we haven't decided we are going to build.

Dr. Matsler said approval of this project would mean that the Board is supporting the entire project, and this should be understood. This is done many times throughout capital budgeting. Phase I might be planning through architects' and engineering costs, or through preliminary planning. On this particular project there was some difference of opinion about whether to submit the entire project this year. The university is submitting the project, but only asking for Phase I. This was the President's decision, and it may be just as good as bringing in the whole thing at once. But, in effect, he said, the Board is being asked to approve the whole project.

What is the cost of the entire project, Mr. Patterson asked? Six million dollars, Dr. Matsler advised.

Mr. Shuman said when the Board is asked to approve a project, it should have information on whether it is to be a classroom building, a laboratory building, an office building, or whatever. He has seen architectural plans come to the Board for what we thought might have been a classroom and it turned out to be about 50% offices.

Mr. Beahringer noted that the budget document contains a complete description of the project, and this facility will be practically all specialized laboratory space. It will contain 1000 net sq. ft. of classroom space, 13,000 sq. ft. of instructional wet lab, 3,000 sq. ft. of dry lab space, 18,500 specialized lab, and 4,000 sq. ft. of office space which will accommodate about 30 to 35 faculty and clerical help.

Mr. Shuman said he did not challenge the fact that this information did come to the Board, but it was about the size of a Sears catalogue.

That is right, Dr. Matsler said. It may be that the Board is not provided with an opportunity to review just this particular project, for instance, or the total campus utilization. This is sometimes difficult to do with the Board as a whole, but the Board could have a Capital Committee, and while this would require extra time, it is a good approach to use. If the Board wishes to move in that direction, it can be done.

Mr. Resnik moved for approval of the FY79 Capital Appropriation Request for Northern Illinois University in the amount of \$5,746,700 as recommended by the Staff. The motion was seconded by Mr. Shuman, and it carried unanimously.

Sangamon State University

Dr. Matsler noted that the list of capital requests for Sangamon State University appears on pages 12 and 13 of his Report, along with the Staff recommendations

and an indication of the institutional priorities. He asked that a correction be made to show that the total FY79 Institutional Request was in the amount of \$11,607,000.

President Spencer observed that Sangamon is in a peculiar position with regard to their capital improvements, particularly since they are having difficulty finishing their second building. The bids came in very high and the Capital Development Board is now looking into either revising it somehow or going to the legislature and asking for more money. Their master plan has now been scaled down from the original 18 buildings they had originally thought about to three megastructures. The major item in their FY79 request, he said, is for a building for Science and Health Professions. This would be the third building on the campus. Also included in the FY79 request is a SR³ item for replacing the facia board on the temporary buildings. The Library building also some improvements by way of insulation and balancing the heating system.

Mr. Patterson moved for approval of the FY79 Capital Appropriation Request for Sangamon State University in the amount of \$9,507,500, as recommended by Staff. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Section IV - FY79 Operating Appropriation Request

Dr. Matsler noted that many of the decisions regarding the operating request have already been made by the Board of Regents, inasmuch as the new and expanded program requests were approved by the Regents last Spring.

The Staff recommendation, he said, is that the Board approve a FY79 Operating Appropriation Request for the Regency System in the amount of \$132,590,000, as summarized on Table 1 in the Executive Director's Report. Such approval should be granted subject to any subsequent arithmetical or clerical adjustments which may be required, and the Executive Director should be authorized to approve such adjustments, if any, and report them to the Board at the next meeting. The FY79 RAMP documents to be submitted by the Regency Universities to the Board of Higher Education should reflect the respective amounts as shown on Table 1 of the Executive Director's Report.

Members of the Board then discussed the Staff rationale for an 8.5% salary increase and the large number of dollars necessary to fully fund the State Universities Retirement System.

Dr. Martin questioned the utility of the RAMP documents and said he would hope that as a Board we would exert pressure on the BHE, friends in the legislature, and any other place we can, to use the data at hand to make more discriminating judgments so that we do not just look at these things in terms of flat percentages. With the kind of professional Staff the Board has, the staff of the BHE, the legislative committee staffs and the Bureau of the Budget, we still act as if we can't examine that base when there are some serious discontinuities. At some

of our institutions, and at ISU in particular, we are wasting all of those monies that go into the production of data that could help the entire policy process make more discriminating decisions. He would hope, he said, that we will keep some "heat under the boiler" to say let's get away from this simple-minded budgeting process.

We are asking for an increase of 6% for General Price Increases, Dr. Matsler advised; a 15% increase for Utilities; and the dollar amounts being requested by each institution could be found on page 23 of the Report. In defense of the existing system, Dr. Matsler said that last year's base was just that base used for utilities and this has been examined in great detail, so that this is a legitimate package to look at and try to get ahold of in terms of a budget item. An increase of 10% is being requested for Equipment Price Increases. Operation and Maintenance is done on a formula basis, he said, and only \$39,000 is being requested - for NIU. The New and Expanded Programs listed later in the document are presented in summary form on pages 24 and 25, he advised, including the total dollar amounts. There are some Special Analytical Studies where an attempt is made to get at some of the disparities among the institutions, and these are listed in terms of dollar amounts on page 26. Other Special Requests are listed on pages 26 and 27, and again these are listed in more detail later in the Report.

Dr. Martin moved for approval of the Staff recommendations relative to the FY79 Operating Appropriation Request for the Regency System in the amount of \$132,590,000 as contained in the Executive Director's Report. The motion was seconded by Mr. Patterson, and it carried unanimously.

Section V - Report of Legal Counsel

Mr. Winning presented the following labor agreements with a recommendation that authority be granted to execute the agreements:

1. NIU - Labor Agreement - Local 8, Operating Engineers
The new contract covers the period 8/15/77 through 7/30/78. Wage increases are 03¢ across-the-board plus 5% of base rate. Wage increases are not retroactive to August 1.
2. SSU - Labor Agreement - Local 7, Operating Engineers
The new contract covers the period 9/1/77 through 8/31/78. The wage increase negotiated is 7% of the base rate. Some formal changes in language suggested by Board Counsel have been made.

Mr. Winning noted that his comments with respect to the chief operating engineer, the assistant chief operating engineer and the lead stationary engineer classifications are based upon the fact that the Board has indicated a desire to limit the employees within the units to non-supervisory employees. However, he said, these are historic positions in the contracts, and we have not been able to secure their removal. Mr. Winning advised that the wage increases are in line, and there has been some improvement in the form of the contracts over prior years and some of the recommendations of Regents' counsels have been adopted in both contracts.

Mr. Patterson moved that the Board grant authority for execution of both agreements as recommended by Legal Counsel. The motion was seconded by Dr. Wellbank, and it carried unanimously.

RECURRING INSTITUTIONAL MATTERS

Sangamon State University - President's Report

Before presenting his Report to the Board, President Spencer distributed copies of an Addendum to the Faculty and Administrative Staff and Civil Service Employees Appendix, noting that the Addendum pertains to the resignation of Mr. Chris Vlahoplus as Vice President for University Relations, and to the change of assignment of Dr. C. Jack Coleman to Acting Vice President for University Relations, Affirmative Action Officer, and Assistant Professor of Public Affairs. Also reported was the appointment of Mr. George Lukac as Alumni and Development Director.

Noting the appointment of an Acting Vice President for University Relations, Dr. Matsler inquired if this means that the position will continue, or is it the intention of the President to reassess this position?

President Spencer said because of the unique nature of Mr. Vlahoplus's talents and service to the University, they intend to let the position be vacant for about 10 months, and not try to reshape or recruit for the position until next June. If their experience over the winter is such that the Vice Presidency seems to be unnecessary or can be recast, they will then look at that.

Dr. Matsler said his reason for posing the question is that when we examine administrative costs, we see that they are rather high, and he would just remind the President that this is of some concern to everyone.

Dr. Spencer said he would rather look at that as a need for reducing dollars in all of administration, rather than looking at any particular position.

If this position is to be left vacant, Mr. Murray asked, why is Dr. Coleman serving as Acting Vice President? Dr. Coleman will be having full responsibility for the administration of the division, the President said, adding that he himself cannot pick up this responsibility. How then will the President assess whether or not the position will be needed, Mr. Murray inquired? This is a very complex office, Dr. Spencer responded, involving operation of a radio station, several publications, etc., and he could not have the individual as an assistant without some authority to act for the President. This could be done informally, but they had wanted to indicate to the Board how the university wants to cover the leadership in that division. It would seem, Mr. Murray said, if they are interested in possibly doing away with this vice presidency, that it would be better to do this informally until the title can be looked at. The President said he would really be in hot water and surprise the university community if because the incumbent is leaving the division would be downgraded. That would be precipitous, he thought, and it would be preferable to study it and see how it works. There is

one change in the role, in that this position is no longer engaged in "political" activity as such because we now have a Regency person who represents the legislative role. Mr. Vlahoplus, he added, has been extremely important to Sangamon State in community relations and has been very successful in this, and they do not know where they can find another person like that who also possesses administrative skills. It is important for a public affairs university to have such a position.

Dr. Martin said if they are looking at ways to save dollars, might they consider this year whether or not two senior officers are needed in that particular area.

Dr. Coleman was brought to the University as his personal assistant, Dr. Spencer noted, and also as Affirmative Action Officer. Knowing the nature of affirmative action, which is a professional blind alley and not a career option for a person like Dr. Coleman who holds the Ph. D., he had promised him that after he got the affirmative action plan in place, operating and functioning, he would have other duties in the career line. Mr. Vlahoplus had requested Dr. Coleman about five months ago to help with the division, without any thought about his own change. It is very important, the President said, that Dr. Coleman is in the division, otherwise someone would have to be assigned to carry the administrative load. The President said he is trying to give Dr. Coleman an experience with responsibility which could give him a career alternative, adding that affirmative action officers have a dilemma - they are negotiators, bargainers, and very often do not get a career reward.

Information reports were presented on:

- Grants and Contracts
- Financial Activities - Not-for-Profit Corporations
- Annual Report on Depositories
- 1977 Summer Session Enrollment Reports

The following items were then presented for Board action:

1. A request was made for authority to contract for legal services as follows:

James M. Drake, Springfield, IL	\$35/hr. plus out-of-pocket expenses
Hoffmann and Hoffmann, Springfield, IL	\$30/hr. plus out-of-pocket expenses
Dow, Lohnes, and Albertson, Washington, D. C.	\$60/hr. plus out-of-pocket expenses
2. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
3. Purchases, as detailed in the President's Report, from Institutional Funds and from Other (Grant) Funds.

4. Planning and Development

- (a) Expansion of Dean of Public Affairs Area in Brookens Library
Board approval was requested to initiate a project for the expansion of the Dean of Public Affairs area in Brookens Library 310, with a total estimated cost not to exceed \$6,029.00. Payable from Institutional Funds - #06-103 - Physical Plant Service Cash.
- (b) Student Housing Project
Approval was requested for the submission of a request to the General Assembly for a Resolution declaring the construction of 80 units of on-campus student housing at Sangamon State University to be in the public interest.

5. Items submitted for preliminary approval during the month of August were appended to the President's Report for formal ratification.

Referring to the Resolution relative to the student housing project, President Spencer advised that Board approval is being sought to develop a Resolution to be presented to the Board of Higher Education and to the General Assembly declaring the construction to be in the public interest. The Chairman and several others on the Board have been notified of this, he said, and they were given authority to proceed with a HUD loan for \$2,065,000 to construct these 80 units. In the chain of decision-making between the institution and the construction, there is the Board of Regents, the BHE, the General Assembly and many other agencies. One of the first steps is to prepare a Resolution, process it through the Board of Higher Education, and then on through the legislature for authority to do the project.

What is the interest rate on the HUD loan, Dr. Martin asked? The rate is set at 3% for 40 years, Dr. Spencer advised. What is the State of Illinois paying on their bonds, Dr. Martin asked? Dr. Matsler said it is about 7% or, he believes, about 7 3/4% for the last bond issue for the Board of Regents.

President Spencer recalled that at the May meeting the Board did approve a resolution authorizing him to seek funding for the project. This now is the answer, and they do not have to consider a bond issue or bank financing.

Dr. Matsler advised that the proposed Joint Resolution which was now before the Board was prepared jointly by Mr. Winning and Mr. Hoffmann. Staff is now asking the Board of Regents for permission to seek legislative authorization for the construction of the housing units at Sangamon. Dr. Matsler said it is their belief that this legislative authorization is needed for borrowing this money, while it would not be necessary for a bond issue. We will also need support from the Board of Higher Education. In a meeting with Mr. Furman earlier in the week, Dr. Matsler said concern was expressed not only about the housing, but also the mission at Sangamon State and how the housing might affect it. He had agreed with Mr. Furman that, subject to Board of Regents approval, the three staffs (Regents, Sangamon and BHE) would examine over the next few weeks the public affairs mission and the need for housing; and that prior to taking the pro-

posed resolution to the legislature they would attempt to get some agreement as to the need for the housing and a re-examination of the mission itself. It is hoped that this can all be done prior to the October session of the General Assembly so that we can move ahead, Dr. Matsler said.

Mr. Patterson moved for approval of the President's Report for Sangamon State University, as amended, including permission to seek legislative authorization for the student housing project, and ratification of the August transactions. The motion was seconded by Dr. Martin.

Mr. Murray said he understands that the HUD loan is for \$2,065,000, but that the total cost for the project will be about \$2,285,000. Does he understand correctly, he asked, that President Spencer is going to attempt and is willing to make a commitment to the Board that he will try to raise the difference privately?

The President confirmed that this understanding is correct.

Mr. Shuman, noting the language in the proposed resolution to the effect that the housing will be for single students as well as student families in apartment buildings containing ten apartments each, said he is hesitant to specify that we will go in the direction of separate buildings because with more outside walls, the project would be more costly. He would rather, he said, that we did not specify this until after we have seen architects' plans.

This is a reservation by the federal government, Mr. Winning advised.

Mr. Murray suggested that perhaps the motion before the Board should be clarified somewhat because Dr. Matsler had suggested that in compliance with his agreement with Mr. Furman the Board should authorize the Executive Director to confer with the Board of Higher Education staff and Sangmon State University to re-examine the mission or master plan of the university. Should this be included in Mr. Patterson's motion, done by a separate motion, or does Dr. Matsler feel that it can be done without a motion?

This can be done without a motion, Dr. Matsler said, because we do have in the proposal itself that this will be subject to BHE approval. It is also in the record that we will be conferring with the BHE staff and will report back to the Board the results, and perhaps even ask Board participation if this is thought to be necessary.

Mr. Murray said he agrees that this is a good idea and would emphasize that the Board of Regents supports that re-examination along with the proposed resolution.

Mr. Winning advised the Board that the proposed resolution is not the text of a resolution to be adopted by the Board of Regents. This is a proposed resolution

for introduction in the General Assembly, and is a supplement to the statement contained in the Sangamon State University President's Report on page 25. The General Assembly might want to word the resolution in its own way, he added.

Mr. Murray noted that almost everyone is aware that he has been one of the biggest critics of housing for Sangamon State and that he has been against it ever since the subject arose. We have explored some alternatives, and after a great deal of thought and soul-searching, he said, he is ready to support this proposal. He added that he does not know that he would be ready to support our own financing through conventional bonds for this housing, but he does not believe that this will be a big enough venture to make any marked change in the future of Sangamon State; however, he is willing to support it and would so vote, although he does it with a certain amount of reluctance even now.

The question before the Board was called for a vote, and the motion carried unanimously.

The Board recessed for luncheon at 12:40 p.m. and reconvened at 1:40 p.m.

Illinois State University - President's Report

President Watkins presented information reports on:

- Students
- Buildings and Grounds
- Grants and Contracts
- Not-for-Profit Corporations
- Bond Redemptions
- Report on Depositories

The following items were presented for Board action:

1. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. Purchases, as appended to the President's Report, from Operating Budget funds, Bond Revenue funds, and Building funds.
3. Permission was requested to make a refund of tuition and fees for Spring 1977 to Karen L. Anderson in the amount of \$106.00.
4. Items submitted for preliminary approval during the month of August were resubmitted for ratification.

Commenting on his Report, President Watkins noted that their headcount is down 10 and the FTE up by 25, but they are not sure what this means. In terms of long range trends, ISU is just about where they have been.

Dr. Watkins advised that they are now engaged in a search process to find a successor for Dr. McBee, the Executive Officer.

The President said he wished to call special attention to one item in his Report, namely that the university will be engaged in a project with ERDA, NASA and General Electric which would provide for a one home solar energy system to be placed on the University Farm residence. After the agencies have conducted the experiments the system will remain in the home and we will perhaps learn a good deal more than we now know about solar energy for home heating, and just as importantly about the use of solar energy for grain drying. There are perhaps some applications to agriculture that could be very important in the long run to people involved in agriculture.

Mr. Resnik commented that the Continuing Education Department at ISU has developed a Lecture by Telephone Program, and he would like to commend them for making higher education and quality instruction more accessible to the citizens of Illinois.

Dr. Watkins said he appreciates the compliment and would pass it on to the Dean and faculty of the College of Continuing Education who, along with Vice President Homer, have done a splendid job on this.

Ms. Theobald moved for approval of the President's Report for Illinois State University, including ratification of items submitted for preliminary approval in August. The motion was seconded by Ms. Burns, and it carried unanimously.

Northern Illinois University - President's Report

Before presenting his Report, President Nelson said he would like to advise the Board that some 10 days ago the Legislative Audit Commission approved a report from its sub-committee. The Board would recall, he said, that NIU and several other institutions were charged by the office of the Auditor General last year with some instances of apparent malfeasance. The report of the sub-committee which the Commission approved states that the malfeasance reports address themselves to instances of conduct of types that the Commission had addressed individually in large numbers over a long period of time. However, these proceedings represent the first formal inquiry into the entire area of university financing. The report of the sub-committee went on to state that while the sub-committee feels that the universities' conduct was improper, they did not feel that it was necessary or appropriate, under the conflicting university practices which have been discovered, to determine whether these improprieties indicated a clear intent to violate the statutes. The report continued that while the committee does not condone the practices or the judgment, it did conclude that further action with reference to the malfeasance charges was not needed.

President Nelson said he rests much easier now and believes that they are off to a fresh start. While the report of the sub-committee may not be a complete seal of approval, the slate is wiped clean and there has been successful negotiation between the Audit Commission and representatives of the universities on procedures for the future.

Copies of the following Addenda to the President's Report were distributed: tabulation of bids for Phase II of Gabel Hall Remodeling; tabulation of bids for Phase II of the Remodeling of Still Gym for Industry & Technology; Item 1. , page 46 of the Purchases Appendix (Contract with Visiting Performers); tabulations of bids received for items e, f, g and h on page 45 of the Purchases Appendix; and request for approval of a purchase order relative to Item B. 24 in the Buildings and Grounds Appendix (East Heating Plant - Repair of Stack).

President Nelson asked that on pages 22 and 23 of his Report, a correction be made in items 3 and 6 to indicate that the University is requesting approval of the award of contracts, rather than concurrence in the awards. He also requested a correction in item IV.c. in the Purchases Appendix to show the correct for the item as \$5,147.00.

The President noted that in the August transactions which are appended to his Report, the item relative to the contract with Kishwaukee Community Hospital had been included through error, inasmuch as the Board did approve this contract at the July meeting.

Information reports were submitted on:

- Students
- Grants and Contracts
- Gifts to Northern Illinois University
- Gifts to Northern Illinois University Foundation
- Report of Depositaries for Year Ended June 30, 1977

The following items were then submitted for Board action:

1. Personnel transactions for faculty and other employees, including requests for additional new positions. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. Permission was requested to make partial refunds of tuition and fees to D. Marilyn Jordal in the amount of \$64.75; Eva May Maxey in the amount of \$54.00; and Gayle A. Wheeler in the amount of \$204.05.
3. Collective Bargaining - Clerical Union Election. (This item was removed from the President's Report and considered separately by the Board early in the meeting. A record of action by the Board will be found under Chairman's Items in these minutes.)
4. Collective Bargaining - Local 8, Operating Engineers. (Board action on this items is recorded as a part of Legal Counsel's Report.)
5. Appended to the Report are purchases from Operating Funds, Institutional Funds, Revenue Bond Funds, and Capital Funds, which were submitted for approval.

6. Buildings and Grounds

(a) Boiler Repair at West Heating Plant

Permission was requested for the University to prepare plans and specifications, advertise and receive bids for replacement of the refractory in the throat of the #3 boiler at the West Heating Plant. Estimated cost of the project is \$5000, with no architectural/engineering fees to be charged. Payable from Revenue Bond Funds.

(b) Repair of Cooling Tower at West Heating Plant

Permission was requested for the University to prepare plans and specifications, advertise and receive bids for the replacement of the wooden slats on the interior of the cooling tower for the central air conditioning system at West Heating Plant. Estimated cost of the project is \$10,000, with no architectural/engineering fees to be charged. Payable from Revenue Bond Funds.

(c) Remodeling Projects in Evans Field House

A tabulation of bids received for Classrooms A, B, and C in Evans Field House was presented, with a recommendation that the low bid be accepted and a contract awarded to E. B. Inc., DeKalb, IL. in the amount of \$11,555; and that the budget for the project be approved as follows:

Construction Cost	\$11,555.00
Contingency	575.00

Payable from Revenue Bond, 20-50130.

(d) Remodeling of Still Gym for Industry & Technology - Phase II

Bids received for Phase II of the project on August 17 exceeded the construction budget by \$73,475, after taking all deductive alternates. After a series of conferences with engineers, it was concluded that the best course of action was to hold open the bids for plumbing, heating, ventilating and electrical work and to seek new bids for the general work after reducing the scope of the general work. This procedure was discussed with the Ad Hoc Committee of the Board of Regents, the Board Staff and the EDA, and all parties concurred with this course of action by the University. Bids received on September 9, 1977 were presented, with a recommendation that the low bids be accepted, plus stated alternates, and contracts awarded as follows:

General

Meyer-Ross, Northbrook, IL	\$233,504
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Plumbing

Lundin Plumbing, Sycamore, IL	40,514
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Heating

A & D Heating Corp., Hinsdale, IL	75,270
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<u>Ventilating</u>	
Master Sheet Metal, Rockford, IL	72,707
<u>Electrical</u>	
Mascal Electric, DeKalb, IL	<u>92,538</u>
TOTAL PHASE II CONSTRUCTION	\$514,533

<u>Recap - Phase II</u>	
Contract Awards	\$514,533
Contingency (approx. 4%)	20,958
Fees - 9.56%	<u>49,189</u>
Total Budget	\$584,680

(e) Gabel Hall Remodeling - Phase II

A tabulation of bids received for Phase II of this project was presented with a recommendation that the low bids be accepted and contracts awarded as follows:

<u>General</u>	
Driessen Construction Co., St. Charles, IL	\$197,234
<u>Electrical</u>	
Mascal Electric, Inc., DeKalb, IL	99,802
<u>Heating, Piping & Refrigeration</u>	
Healy, Inc., St. Paul, MN	328,700
<u>Ventilation & Ductwork</u>	
Loeschner, Inc., Freeport, IL	<u>115,534</u>
TOTAL PHASE II CONSTRUCTION	\$741,270

<u>Recap - Phase II</u>	
Contract Awards	\$741,270
Contingency (approx. 5%)	37,005
Fees - 8.3%	<u>61,525</u>
Total Budget	\$839,800

(f) Remodeling Neptune North Basement Classroom Area for Office

When the Board first approved this project in December 1976, the estimated cost was \$6500, based on the premise that University personnel would do the work. Due to the workload, it was decided to solicit bids from outside contractors. Bids received for the project were presented with a recommendation that the low bid be accepted and a contract awarded to Hilding Franzene, DeKalb, IL. in the amount of \$8,985.00, and that the new construction budget be established as follows:

Construction Cost	\$8,985.00
Contingency	515.00
Payable from Student Association Funds, 41-20595-670 (\$3,250)	
and Revenue Bond Funds, 25-51730-772 (\$6,250).	

(g) Sanitary Sewer Easement for DeKalb Sanitary District

The Board was requested to issue a statement of intent to grant an easement to the DeKalb Sanitary District to construct and maintain a new sanitary sewer through University property. A final resolution for formal action will be presented at the October meeting.

(h) East Heating Plant - Repair of Stack

In June 1977 the Board authorized a contract award from FY77 funds for this project which included no contingency fund. After start of repairs to the stack it was determined that some additional repairs were necessary, and upon request, the contractor indicated the cost of the additional work would be \$1,855. In order to keep the project moving, the University issued a purchase order from FY78 funds to cover this work. While Board approval of this purchase order may not be necessary inasmuch as the additional work was not directly related to the initial project and is to be paid from different fiscal year funds, the University wishes the Board to be aware of the circumstances leading to the issuance of the purchase order, and requested Board concurrence in this action.

7. Items submitted for preliminary approval during the month of August were resubmitted for ratification, as amended.

Commenting on his Report, President Nelson noted that the recommendation for tenure for Dr. Jon David Miller had originally been included in the August report, but knowing of the Board's concern about tenure decisions, the University felt it was inappropriate to ask for Board action via a telephone poll, and the item was withdrawn at that time. In addition to Dr. Miller's role as Associate Dean of the Graduate School, he is also a member of the Political Science faculty, and has performed in an outstanding way and has doubled the amount of grants received during the several years he has been in this position. Initially, the President stated, the Personnel Committee of the Political Science Department voted 5 to 4, with one abstention, to grant Dr. Miller tenure. However, the rule of the Department was that 6 persons on the committee had to vote affirmatively for this to constitute a recommendation from the Department. The situation was complicated by the fact that the late Dr. Martin Diamond was a member of that Committee and had submitted his resignation to the University in order to accept a position elsewhere, and so he had refrained from taking an active role on the Committee. Unfortunately, he died before the effective date of his resignation and had not been replaced. But, in effect, this was imposing a rule of 6 affirmative votes on a committee of 9, rather than 10. Dr. Miller appealed the decision of the Department, the Department stood fast, and the College Council voted against recommending tenure. At this point in time the evaluation of two outstanding authorities were sought as to his scholarship, and both were affirmative in speaking very highly of his scholarship and qualifications. Finally, the University Council Personnel Committee, with none of the administrative members participating in the vote, voted to recommend Dr. Miller for tenure, and the recommendation is now submitted to the Board.

Mr. Shuman said as he understands this, Dr. Miller has not been recommended by the tenure committee.

The vote, President Nelson advised, by the personnel committee of the Department was 5 affirmative, 4 negative, and 1 abstention. There was a scant majority, but the rule of the Department was that there had to be 6 affirmative votes in order to constitute a recommendation from the Department. The President also advised that Dr. Miller's position is essentially administrative, although he has taught each semester.

Dr. Martin noted that it seems that we have had trouble along these same lines with the Political Science Department before. Is that correct? There was an appeal from a woman member of the Department, the President said, but this is a large department. Does each department set its own rules for the tenure process, Dr. Martin asked? Yes, the President responded, in terms of action at that level.

Mr. Shuman, noting the appointment of a Coordinator for Latino Programs, said he had a faint recollection that the Board approved a Coordinator for this before. Has there been a change in this? Dr. Monat responded that the Board approved the request for the position at the last meeting, but that this is now the appointment of a person to fill the position. Mr. Patterson said his recollection was that when there was a discussion about a tenure decision, there was some discussion of an individual named Lattin with expertise in this field, and he had the impression that this was the job that person was to fill. No, the President said, Dr. Lattin's field is a broader one - he is in Communications Skills. But was his expertise in dealing with Spanish-speaking individuals, Mr. Patterson asked? The President said he thought not.

Referring to the bids for the EDA projects, President Nelson advised that Dr. Richard J. Smith had discussed these with Mr. Prisco, and it was his recommendation that the bids be approved by the Board at this time.

The President then directed the Board's attention to page 29 of his Report, wherein the appointment of Leon M. Miller was recommended to the position of Ombudsman on the Northern campus. As the members of the Board are aware, he said, this has been a controversial item. When the position was first created in 1970, a procedure was worked out and approved by the University Council as to how the search for this position should be conducted. The appropriate search committee was set up and started to function, and the President said he thought he could state fairly that Mr. Jordan, President of the Student Association, and he are agreed that the search procedure was not a satisfactory one. The concern of the students in this particular instance is that the procedure specified and approved by the University Council was not followed. He would be the first to agree that it was not followed, the President stated, nor has it ever been alleged that it was.

President Nelson said his contention is that the way in which the search was pursued - and he thinks this reflects in good part the role of the chairman of the committee - there were a number of violations of things which had affirmative action aspects. Dr. Patricia Lattin, the NIU Affirmative Action Officer, had occasion to discuss the search with the committee chairman on several

occasions and insisted that certain things be done to assure that there was adequate consideration given to women and minority candidates. The feeling of the administration was that the University was so compromised by some of the things that were done in negotiations with Mr. Miller, that when he filed a complaint against the University that Dr. Canon, Vice President for Student Affairs, and Mr. John Templin, University Legal Counsel, went to Kansas City to meet with representatives of HEW who were trying to conciliate the matter. Mr. Jordan, SA President, was invited to go along and observe the meeting, and he did so.

The President said he thinks the real issue is that the students feel that the search was not compromised in a way as to justify the administration responding as it did in terms of affirmative action aspects of the case; whereas, upon the advice of Dr. Canon and Mr. Templin and his own evaluation of what took place, he feels that the University does have a legal as well as a moral obligation in this matter. One of the other issues is whether Mr. Miller was in fact the second choice of the committee, and the President said he gathers that there isn't even agreement among members of the search committee on this question. Nevertheless, President Nelson concluded, it is his recommendation that Mr. Miller be appointed to the position as set forth in his Report on page 29.

Procedurally, Mr. Murray said, he would ask if there were any questions with regard to other parts of the President's Report.

Dr. Matsler said he would like to call to the Board's attention the grant reported on page 14 of the NIU Report - a large grant from HEW for \$124,494. This is part of a larger grant in the total amount of \$500,000, he advised. Board Regulations provide that any grant over \$250,000 should be reported to the Board because there are institutional costs and commitments that the institution must meet at later times, and it is important that these be cranked into the budget and planning. Dr. Matsler said there is nothing wrong here at all, and he would commend the university for getting the grant, but at the same time he believes it is important for the Board and its Staff consider some new regulations which would allow us to think of the possible institutional matching funds that might be needed when these big grants are received. Staff does intend to clarify the existing regulations and perhaps modify them in such a way that they will be just a little bit clearer. He is using this particular grant as an example to show what the problem is.

Mr. Murray suggested that the appointment of Leon Miller be considered as a separate item from the balance of the President's Report. Mr. Shuman requested that the recommendation for tenure for Dr. Jon David Miller also be considered as a separate manner because he feels constrained to vote against that particular recommendation.

Mr. Patterson moved for approval of the Report of the President of Northern Illinois University, as amended, including ratification of items submitted in August; but that the appointment of Leon Miller as Ombudsman and the recommendation for tenure for Dr. Jon David Miller be voted on individually. The motion was seconded by Ms. Burns, and it carried unanimously.

The motion to approve the recommendation to grant tenure to Dr. Jon David Miller in the Department of Political Science was called for a vote, and the motion carried with Ms. Burns, Dr. Martin, Mr. Patterson, Dr. Wellbank casting Aye votes; and with Mr. Shuman and Mr. Murray casting Nay votes. Students Regents Resnik, Theobald and Welanders cast Aye votes.

The Chairman then ruled that discussion would be in order on the matter of the appointment of Mr. Leon Miller as Ombudsman.

The Chairman noted that requests had been received from individuals from NIU to address this issue. He asked that individuals limit their remarks to no more than five minutes and that they try to cover points not already made by others.

Mr. John Colman, a representative of the Operating Staff Council at NIU, advised that this group is made up of 1400 people. This year the Operating Staff obtained membership on the search and selection committee. They had been concerned, he said, during the last several years that more and more of the operating staff found need to use the office of the Ombudsman and, therefore, sought representation on the search committee. They have since become concerned about the inconsistencies which appear to have developed in the method and the reasons that have resulted in the current recommendation of the administration. They are not speaking for or against any individual, Mr. Colman advised, but they are requesting that the position remain vacant and that the process be renewed through the established rules. Mr. Colman presented a Resolution passed on September 8, 1977 by the Operating Staff Council of Northern Illinois University.

Mr. Patterson said he would ask Mr. Colman if the group would like to share in the contractual obligation. It appears to him, he said, that we do have an obligation to this individual, and he would ask Mr. Colman how this should be discharged.

Mr. Colman said he is not sure that he would agree with Mr. Patterson, but he does not have the opportunity to ask for advice from legal counsel as to what would happen if he were not hired. What he would like to see, he said, is the established rules to be taken up, allow the process to start again, and this individual could participate at that time. If it turns out that he is the best choice, then there is no concern. Obviously, he added, there is a legal question involved, and he is not a lawyer.

The Chairman then recognized Mr. Lester Hemingway who stated that he is the President of the Organization of Black Business Students, although it was not in that capacity that he would address the Board. He is a senior at NIU, he continued, and in recent times has been involved in an ad hoc effort with a number of other students to try to dispel the indication that exists that all students are opposed to Mr. Miller being appointed as Ombudsman. He has today, he advised, 400 signatures from students in support of Mr. Miller for the position. He said he thinks that the signatures do indicate that without a doubt there is no definitive student position on the question.

Mr. Hemingway stated that no one has effectively discussed the search process; the discussion has surrounded and involved essentially, Leon Miller. The situation has gone so far that a couple of very disparaging editorials appeared in the Northern Star. What, in effect, he is trying to say, Mr. Hemingway continued, is that Mr. Miller is an excellent choice, he is very well qualified, and the conflict, the confusion and the controversy are denying a very well qualified man the atmosphere and environment that is essential to prove himself in the position. Mr. Hemingway said he might also mention the fact that yesterday the University Council passed a resolution that essentially supports Leon Miller for the position of Ombudsman.

A member of the Student Caucus of the University Council advised the Board that the resolution was not approved yesterday, as stated by Mr. Hemingway. It was deferred. The Student Caucus representative then read a resolution from that group asking the Board not to approve the appointment of Mr. Miller, and further that a new search and selection committee be formed.

Mr. Hemingway apologized for stating incorrectly that the University Council had passed the resolution, but his information was obtained from the Northern Star. Mr. Murray acknowledged that the Board is aware of the confusion in this matter.

Mr. Murray asked Mr. Hemingway if he had served on the search committee, or what is his position in this matter.

Mr. Hemingway stated that he is just a student involved in an ad hoc effort to generate support for Mr. Miller. In reviewing his resume and other documents submitted to the search committee, they believe that he is just an extremely well qualified man for the job.

The Chairman then recognized Mr. Gary Chvatal, a member of the Ombudsman Search and Selection Committee.

Mr. Chvatal said because there was so much controversy about some of the actions that took place in the committee, he would make a few comments to try to clear up some of the misperceptions. The committee was under a time constraint in trying to get a nominee to the University Council and the Student Association by May 4, and they just barely made it. The first error happened during the first meeting of the committee when they made up the ads to be placed in national publications. When the ad was drawn up they had included a closing date of March 21, however, when the ads were typed up and sent to different publications the closing date was not included. This caused them to push the deadline back by about three weeks, which added extra time constraints.

After the committee started getting applicants, according to the affirmative action guidelines they had to rate them according to the criteria which were set up for the job. This was done in a numerical method. This was one of the procedural problems that occurred. In the appointment of Leon Miller, he had never gone through this stage of the process, he was never rated on the criteria

for the job as were all of the other applicants. His name turned out to be added to the committee's list approximately on April 25, which was about a week before the committee was to come up with a nominee. The committee was then in the winnowing process of the interviews, and had two more interviews to complete. Dr. Lattin, the Affirmative Action Officer, informed the committee that she would like for them to add a few candidates to be interviewed. This brings up one of the controversies about lost resumes or lost credentials for Mr. Miller. His credentials were not actually lost, they came in about the middle of the week the committee was interviewing. The committee had a cutoff date of April 21, and his came in late and were put into the late bin with others which were late or incomplete. When Dr. Lattin talked to the chairman of the committee she wondered where his credentials were, and it was assumed that they were lost. They were not lost, they had never been handed up to the committee members because they came in too late. It was on Sunday afternoon, May 1, when the committee came up with a candidate, Mr. Chvatal stated. They then had a problem setting up interviews and securing time for Mr. Volcansek to talk with administrators at the University. That was another point of controversy. Mr. Volcansek was approved by the Student Association and presented to the University Council on May 4. The University Council never did vote on him, and it was on June 2 when he declined the position. Mr. Chvatal said this confused him because when he had talked with him he seemed very excited about the position at NIU. He is not sure exactly what happened, he said, in the negotiations between May 4 and June 2.

It was at this point, Mr. Chvatal continued, that Dr. Gardner called Leon Miller and notified him that he was the second candidate and offered him the chance to come back for a second interview. One of the problems with that, Mr. Chvatal said, was that the committee was never asked in an official manner whether Mr. Miller was their second candidate, or if in fact the second candidate was to be considered if the first declined. He believes, he said, that out of the 7 committee members, there were at least 6 who had not substantiated that point - that they wanted to go with the second candidate. Mr. Miller was invited back, however, and had an "interview" with an ad hoc group of students, people who did not know anything about Mr. Miller or his credentials, who did not know anything about the office of Ombudsman, or the criteria for selecting the Ombudsman. These people were supposed to make some sort of qualified judgment about whether or not this man should be offered the position. Needless to say, Mr. Miller did not think that this interview was up to par, and this feeling was shared by a lot of the people involved in it. Nevertheless he was presented to the Student Association at its summer meeting for approval, and since he was not the official recommendation from the committee, he was not allowed to speak to the Student Association and they did not accept him as a candidate.

Meanwhile, Mr. Chvatal said, Mr. Miller went back to Kansas City where he talked with the voluntary compliance officer at the EEO center and informed him of the situation at NIU. He, in turn, got in touch with the administrators at Northern and advised them that there was a possibility of a lawsuit. Prior to that, however, there was a letter from Dr. Gardner to Mr. Miller advising

him that he was no longer a viable candidate and that a new search was going to be instituted. But after the discussions which took place in Kansas City, they decided to go ahead and offer the job to Mr. Miller. Mr. Chvatal said he talked with a few attorneys who said that the merits of that case had not actually been discussed, and he thought that the merits of the case had not actually been well enough established to go ahead and offer him the job without legal counsel. On July 15 Dr. Gardner ruled that the committee was disbanded and had no more status in the matter. On August 4, Dr. Canon called the committee to his office to inform them that the University was offering the job to Mr. Miller, and although the committee had no longer any official status, he would like for the committee to make some sort of a judgment as to what it thought should be done - in effect calling the committee after the fact to ratify a decision that had already been made. Mr. Chvatal said he wanted no part of that, and at that point withdrew from the committee. The committee did meet one time after that and adopted a resolution, a copy of which is in the packet of materials handed to the Board, and which stated that the committee members who were left decided that no nominee should be approved unless he or she had the previous approval of the University Council and the Student Association. To this point, Mr. Chvatal stated, the SA has not approved the candidate; the University Council did vote during the summer, but due to the tenuous nature of the vote and some of the controversies, he is not sure that this would constitute UC approval.

Mr. Chvatal said his suggestion is that a new search and selection committee be formed, that the last search be declared unsuccessful, and that an appointed Ombudsman be appointed by the University President and the SA President to fill the office until such a time as a successful search is conducted.

Mr. Murray asked why the committee ranked Leon Miller second, and what did the committee understand to be the significance of that ranking at that time.

Mr. Chvatal said the affirmative action guidelines specify that the finalists are to be ranked. Ranked according to what, Mr. Murray asked? According to final position, Mr. Chvatal said, according to qualifications. The committee made its decision, it ranked the candidates, but at no time was it his assumption that they would automatically give the job to the second ranked. There have been three previous searches, and he understands that in 1975 a slate of candidates was put forth to the President, but only one nominee was to come out of the committee. He said he has talked with some of the members of the 1975 committee and they went through an elaborate process of burning ballots in order to not let out any information as to who were the second or third candidates. He had assumed that this committee would operate in the same way.

Was that subject ever discussed by the committee, Mr. Murray asked?

Not that he could recall, Mr. Chvatal said, but neither could he recall them ever saying that they would give it to the second person. Of course, they assumed that the first person would accept the position. The problem is that the committee was never pulled back together to find out what the meaning of the second and third ranked candidates was.

Ms. Burns asked if the committee at anytime determined that Mr. Miller was unqualified for the position. No, Mr. Chvatal said, he was ranked second, so he must have been qualified.

Then, Mr. Wellbank asked, if an individual was unqualified, he would not be ranked, is that correct? If they were not qualified they would not have made it into the final round, Mr. Chvatal responded. They were all qualified to a certain extent.

Affirmative action guidelines required that the committee put numbers behind the names, is that right, Mr. Murray asked?

Mr. Chvatal said that is correct, they were told to rank them, but there was no indication that they had to select more than one nominee. Then what did they interpret the numbering system to mean, Mr. Murray inquired? It was just a procedure they had to follow, Mr. Chvatal said. The committee thought they would come up with a first nominee. As to the second, that was just something they were required to do to satisfy the affirmative action officer.

Mr. Resnik asked how many qualified people there were. Mr. Chvatal said they had 80 applicants, 7 or 8 were brought in, and they were all qualified to different degrees. Some had ombudsman experience and some did not.

Dr. Wellbank asked if there were any minorities in the first go-around. Mr. Chvatal said he was not quite sure, but thought there were some women. Dr. Wellbank said he is wondering why on the second go-around Mr. Miller's name was added. Mr. Chvatal explained that Mr. Miller was not considered on the first go-around because his application was late and his credentials were not complete. He was added to the list when Dr. Lattin looked at his credentials and thought that he would be qualified and that the committee ought to interview him. Was that because he was a minority, Dr. Wellbank asked? Mr. Chvatal said he has not discussed this with Dr. Lattin. Was Dr. Lattin a member of the search committee, Dr. Martin asked? No, Mr. Chvatal said.

Mr. Terry Jordan, President of the NIU Student Association, was recognized by the Chairman. Mr. Jordan supported Mr. Chvatal's statements, reviewed the duties and responsibilities of the Ombudsman, and reasserted the need for student participation in the search process.

Dr. Louis Mustari was then recognized by the Chairman and stated that yesterday the University Council passed two resolutions. One was as reported earlier, that due to a total befuddlement of what is happening in this matter, the UC voted to defer action on the whole matter - on the approval, non-approval, acceptance or non-acceptance of all of these procedures. Secondly, with one dissenting vote, the University Council set up a special board in order to investigate the whole matter to find out just what did happen. Right now, Dr. Mustari said, the UC - the administrators, the faculty and the students - has agreed almost to a person that this whole thing needs a complete overhauling and investigation and that action should be deferred until the UC has made that investigation. Dr. Mustari

said he is not saying that is what the Board should do, but it should bear in mind that that is the present attitude of the representatives of the students, the faculty and the administrators who stayed for the UC meeting yesterday.

Dr. James King was recognized to address the Board.

Dr. King advised that he was a member of the search and selection committee and his position in this matter had been spelled out in a letter to the editor of the Northern Star which was published in the August 11 issue of the paper. A copy of the letter is in the possession of the Board. The crucial parts of his letter, Dr. King continued, were: Did the committee rank the top candidates among those interviewed for the job? The answer is yes. Was Leon Miller the second choice of the committee? The answer is yes. If the first choice did not accept the university's offer, was it the will of the committee (expressed at the May 1 meeting) that Leon Miller would be the committee's recommendation? It is his opinion, Dr. King said, that it was the will of the committee. He had concluded his letter, he said, by stating that members of the committee worked diligently under trying conditions to conduct a fair search and acted in good faith, putting forth candidates they believed would do a good job as ombudsman, and that he hoped that they will now support Leon Miller as ombudsman in every way if he accepts the job offer. Unfortunately, he said, the words, "in every way" were omitted when the letter was printed in the paper.

After further discussion and questioning of Dr. King, the Chairman recognized Dr. Patricia Lattin, Affirmative Action Officer at NIU.

Dr. Lattin said she would start out by answering a couple of questions which had been asked earlier. One question asked by a member of the Board was why were the candidates ranked. Mr. Chvatal had responded that this was required by the Affirmative Action Officer. The AA Office, Dr. Lattin said, has never required such a thing. It does require that people be judged, based on certain criteria, yes, but the office does not ever tell a committee how many people it has to choose. Whenever she has occasion to meet with a search committee, Dr. Lattin said, and that question arises - how many people should be chosen by the committee - her answer is always the same - that depends upon the person giving the committee its charge. If it should be a committee to choose someone who will report to the Provost, then the Provost has the responsibility of saying that he would like for the committee to recommend 1, 3 or 5 or whatever number of people. The Affirmative Action Office does not deal with this sort of thing, it merely says to the committee, whatever your charge has been, do it fairly and be sure that all are treated fairly. No one in the Affirmative Action Office suggested that there be 3 people ranked, and this points out the significance of the fact that there were three people ranked. As Dr. King just testified, there was even a tie-breaking vote to determine who would be the second ranked candidate, so there must be some significance to that.

A second question asked by the Board, Dr. Lattin continued, was why she added Mr. Miller's name to the list of people to be interviewed. She said she has in

her possession today Mr. Miller's application letter dated April 7, 1977, and she asked that the Board take note of that date particularly. When was the letter received, Mr. Murray asked? Dr. Lattin said she did not have the envelope in which the letter was mailed, but on April 22 the head of the search committee, Mr. Grimm, came to her to report that the committee was ready to begin interviewing candidates and to report who the people were to be interviewed. Normally, Dr. Lattin said, at this stage she checks to see what has happened up until that point to be sure that minority and female applicants have been given equal opportunity. On the morning of the 22nd she received a phone call from Mr. Snow, the acting ombudsman, advising her that a person by the name of Leon Miller who is black had applied for the ombudsman position, and asking her to keep her eyes open. Mr. Snow did not tell her what the problem was, but she did jot down the name. That day when Mr. Grimm met with her, he left with her the complete sets of credentials for everyone supposedly who had applied for the job, and she kept these over the weekend to review. One of the first things she noticed was that there was no folder for Leon Miller. On Monday, the 25th, she called Leon Miller in Kansas City and asked him if it were true that he had applied for the job. He responded that he had and inquired if there was a problem. She said yes, there was, because she had understood from Mr. Snow that he had applied quite a while ago, but there was no folder for him. Mr. Miller said that was strange because he had called the SA office and was told that all of his materials were there. On that same day, the 25th, she spoke with Mr. Grimm and asked where Mr. Miller's credentials were. Mr. Grimm said he had never heard of him. At that point, Dr. Lattin suggested that Mr. Grimm try to find Mr. Miller's credentials, and she mentioned to him that she knew Mr. Miller had been an ombudsman, a co-ombudsman twice, and given that fact, they should look for his credentials and if the search committee felt on the basis of his credentials that he was qualified, that the committee should interview him. That is why she suggested that his name be added to the interview list. Today, Dr. Lattin said, is the first time she has ever heard it suggested that his credentials came in late. No one ever told her where they came from, but she was told that they turned up within the next couple of days.

Mr. Resnik said he had heard that not only were Mr. Miller's credentials late but that they were also incomplete, and that his complete credentials were presented when Mr. Miller was asked back to the campus by Dr. Gardner. This raises a question in his mind, he said, about the lost credentials.

Dr. Lattin said no one from the search committee ever suggested to her that there was any problem, after the credentials were found. She was told a couple of days later that the credentials had been found and that the committee was going to interview Mr. Miller.

Mr. LeTourneau said one of the basic issues seems to be why the three candidates were ranked, and Dr. Lattin said today that this is the first time she has heard it said that the AA guidelines require this. At the July 10 summer meeting of the Senate, Miss Lattin was asked whether or not she ever told members of the committee whether they had to rank order candidates, and whether it was her contention that Mr. Miller was ranked second; and her response was yes, and if she had thought that Mr. Miller was not ranked second, she would have

never approved the search. That is in the minutes of that meeting, Mr. LeTourneau said.

Dr. Lattin said that was a valid statement, but the reason she made that statement was that Mr. Miller was so highly qualified for the position that when she was told that he was not the first choice, she had grave doubts as to whether her office should approve Mr. Volcansek. However, when Mr. Grimm said that Mr. Miller was the second choice, she approved Mr. Volcansek because she felt that the committee had behaved with at least some degree of fairness toward Mr. Miller. But it was not the fact that there was a ranking - she did not care whether there was a ranking or not, per se.

President Nelson said that consistently through the years when there has been a search committee to which he gave a charge, he has always said that he wanted more than one name. Otherwise, it is a selection committee, and it tells him who the person will be. He has also said that if the committee prefers to rank them, that is all right, but he does not require this. So, he said, it could have been out of such a conversation of his with Mr. Grimm that the impression was given that it was necessary to rank the candidates.

What are the alternatives, Mr. Murray asked? What are the choices to be entertained by the Board? A yes vote on the motion would approve Mr. Miller as Ombudsman. According to the President's Report on page 29, Mr. Shuman noted, this would be a temporary appointment. The Report talks about 22 months, Mr. Murray said, and he would like a clarification of this. Dr. Canon said according to the University Council and the Student Association, this is a two year appointment and, therefore, by definition, a temporary one.

One of the alternatives drawn up by Dr. Matsler, the Chairman said, is that Mr. Miller could be appointed for a one year term, and the search could be renewed either with or without Mr. Miller being a candidate. Mr. Murray said he is not sure he could be appointed for a one year term in view of the fact that it is a two year appointment. Another alternative would be to do away with the office of ombudsman. Still another choice would be to disapprove the recommendation entirely, allowing Mr. Miller to serve on an interim basis if the Board should so desire.

Dr. Wellbank said there is obviously a felt need for an ombudsman. No one is going to be satisfied. The Board might consider ordering a new search and selection process to commence immediately, appoint Mr. Miller as interim ombudsman, include him as a candidate in the new search, and install the winning candidate when the decision has been made. Hopefully, Dr. Wellbank added, Mr. Miller could be the winner.

If he is not the winning candidate, Mr. Patterson said, by giving him a second shuffle we would in effect strengthen his case to say that the reason we did not pick him was because of race.

Ms. Burns said in order to do this, it would appear that the first search would

have to be declared unsuccessful, i. e., no qualified candidate, and i. e., how can he be qualified the second time if he was not the first time?

Mr. Murray said it is obvious to him that the guidelines for the job are recommended approval by the University Council and by the Student Association; and Leon Miller apparently was not submitted to that process.

Nevertheless, Mr. Patterson said, an agent of this Board, the University, did hire him, and he did move here. He is on the job, and we have, if not a legal, certainly a moral obligation to him. If he is deposed from the job, we will pretty much have to pay him for the period he moved here for.

It might be appropriate, Mr. Murray said, to have the search committee have its findings available by July 1979, and in the meantime Mr. Miller could serve as interim ombudsman. Like it or not, Mr. Patterson commented, we have hired him and to do otherwise will bring on a lawsuit.

Dr. Brim noted that the Board has been talking in terms of a two year appointment but, unless he misinterprets the President's Report, the recommendation is for an appointment of 9-17/22 months.

Mr. Murray said it seems to him from everything he has heard that Mr. Miller is as qualified as anyone that could be found, and it is just unfortunate under the circumstances that he has to come here with such a lack of confidence among the people he must serve. It is also obvious, Mr. Murray added, that there is a power struggle going on between the students and the administration, and he supposes the Board will have to resolve that.

Noting Mr. Murray's statement about Mr. Miller having to serve individuals from whom he has no support, Mr. Hemingway said if the record were to be examined since Mr. Miller arrived on campus, it would indicate that students do support him and are willing to use his services. Secondly, he said, when he first became aware of the confusion on this he was not totally averse to the idea of a new search committee, but now the way that Mr. Miller has been projected, there is no way that he could receive a fair shake.

Then, Mr. Murray asked, it is Mr. Hemingway's opinion that Mr. Miller can serve effectively if he is appointed by the Board? The man is extremely qualified, Mr. Hemingway replied.

Mr. Jordan said Mr. Wellbank's proposal is exactly what he had talked about with Mr. Resnik last evening. He thinks it a very good idea that a new search be started, that Mr. Miller be named in the interim period as a show of good faith as well as meeting a moral obligation. Mr. Jordan said he agrees with Mr. Hemingway that Mr. Miller is qualified. This whole thing has not been his fault. It has been the procedure and he has maintained this all along, as Dr. Canon can attest. As long as a new search is called for and Mr. Miller is named interim ombudsman, Mr. Jordan said he would go one step further and

state that tomorrow he would write a letter to the editorial section of the Northern Star stating that we should come together behind Mr. Miller because he is eminently qualified for the job.

Mr. Patterson said it would seem to him that if we have someone in the administrative structure who has not carried out his job, that would be a different matter; but the fact of the matter is that this individual is already on the job and, he would presume, accepted the position in good faith.

Dr. Canon said he appreciates the Solomon-like suggestion made by Dr. Matsler about a possible one year appointment with the search committee to be reconstituted. However, he added, that would leave him and possibly the Board with a continuing problem. The position description states the term of office as being for two years. By convention, Dr. Canon said, the University has asked the Board for an annual appointment. One of the dilemmas is that a prima facie case has been clearly established where everyone is conceding, including students who oppose the appointment, that the man is qualified for the position. He is a member of a protected class, the position up until the time of his appointment remains open and it has not been offered to him. Dr. Canon said he has no way of predicting what Mr. Miller's response might be to such a Solomon-like offer, but he finds it inappropriate and he would be uncomfortable having to relay that kind of a resolution to him.

Dr. Canon said it has been stated that Mr. Miller had not been submitted to the Student Association Senate. The most embarrassing experience he has had in the four years he has been at NIU was the process of submitting this man to the Senate. The SA Senate having failed to give him a hearing did not even grant him the courtesy or members of the President's staff by advising ahead of time that they would not hear him. The administration had every reason to believe that they would hear him. This is just an example of the specific kinds of instances that placed the President and the members of his staff in the position of feeling that there was, indeed, a moral obligation to Leon Miller.

Mr. Shuman said he would be inclined to move for approval of the President's recommendation which is for a temporary appointment for 9-17/22 months, with no contingency of another search committee; and he would also submit a second resolution that would not place us in the same kind of jeopardy as far as legal action is concerned, namely, that this Board ask the Staff to come and bring to the attention of the Board information regarding the advisability of continuation of the ombudsman position. He would like to see an examination of this whole matter, he added.

President Nelson said he could be supportive of Mr. Shuman's recommendation, and even go beyond that to point out that the University Council has passed a resolution that they would like to have a select committee selected to look into the allegations about this matter and make recommendations regarding the procedure. There should be an on-campus examination of what happened and then determine where we go from here.

That is a point well taken, Mr. Murray said, and the situation must be viewed from both sides. Apparently with a man who is well qualified, it may be that the Board may have to make an exception to the precedent factor. He said he thinks the President did exactly what he would do in the circumstances with which he was faced. The whole thing has been muddled to the point where certainly the letter that was written to Leon Miller had the apparent authority of a university officer, and from the standpoint of the Board, he thinks this must be treated as somewhat of a legal obligation, and certainly a moral obligation. If we had an individual who was not qualified, and if the evidence presented here today indicated that he was not, then the choice would be easy. But it is difficult to let form overrule substance to the detriment of the university. However, Mr. Murray added, he does have a lot of regard for the students' position in the matter.

The Chair stated that the motion to approve the appointment of Leon Miller was on the floor.

Mr. Shuman moved to amend the motion before the Board by requesting that the Staff of the Board prepare an analysis of the results we have had with the office of ombudsman at Northern Illinois University and bring to the Board for consideration information, pro and con, relative to the continuation of this position; and further that the Board request the administration of Northern Illinois University to make an investigation of the procedures used in this case. The motion was seconded by Ms. Burns.

Mr. Patterson said he is only sorry that this whole thing happened, but there is some fault here and the Board might as well shoulder the blame. He would not want to make the matter worse by doing something more foolish than what has already been done. The course of action suggested by Mr. Shuman's motion is a fair one, he thought.

Dr. Matsler said he would assume that the Staff would be given several months to conduct the study proposed by Mr. Shuman. Mr. Shuman said he could not see why it should take more than three months.

Dr. Martin observed that this whole silly demonstration today shows him the need for a person in a position like this at NIU. This should not have been an item for the Board's agenda; it is absurd that the Board should have to handle the matter; and he would be much more interested in seeing how we are going to insure that whatever kinds of guidelines or procedures are followed for this kind of a selection or search process are going to work in a business-like fashion. He said the statement which was given to the Board, and which they had studied carefully as some sort of sacred text, turns out to be not really official, and it does not include a positive action by the President to appoint the person. Dr. Martin said he does not want to consider any proposed employment action that does not come from the President of any campus. It is nonsense that the Board would vote to hire someone who has not been recommended by the President. Dr. Martin noted that he would not go on record as saying there is no need for the position at NIU, because it appears that there is more need than there ought to be.

Mr. Murray said he is not sure that the ombudsman should be appointed by the President - that is the whole point. He is approved by the University Council and the Student Association, and that is what troubles him.

President Nelson said the reason he feels so strongly that it is essential that the administration act on this is that federal statutes and regulations and public policy supersede the rules of the university. If in their search the committee had complied with all of the federal regulations, they could have followed the university procedure to the letter; but having failed to observe the external rules, he believes that it was his responsibility to step in and do something about it.

Mr. Shuman said it is impossible to move administratively without danger of this kind of situation when you have a committee selection process. The whole business of search committees is so traditional and so much a part of "due process" in university circles - but it is not sound. It is not sound to select a department head or anyone else through the committee process. Until we get to the place where people are responsible to people and recommended by people, we will continue to have this kind of trouble.

As a point of clarification, Dr. Mustari asked if when Mr. Shuman said there should be a NIU committee to conduct this investigation, did he mean the committee mentioned earlier that is already set up in the University Council?

Mr. Shuman said his amendment stated that the administration of Northern Illinois University should conduct this investigation.

In other words, Dr. Mustari said, the very people who caused this fiasco are going to look into it. The statement that committees are not capable of performing very strongly indicates that we are not looking for a democratic process at all.

The Chair ruled Dr. Mustari to be out of order.

The motion to amend was called for a vote and the motion carried with Ms. Burns, Dr. Martin, Mr. Patterson, Mr. Shuman, Dr. Wellbank and Mr. Murray casting affirmative votes. Regents Resnik and Welander recorded negative votes, and Regent Theobald an affirmative vote.

The main motion for approval of the appointment of Leon Miller as recommended in the President's Report, and as amended, was called for a vote and the motion carried with Ms. Burns, Dr. Martin, Mr. Patterson, Mr. Shuman, Dr. Wellbank and Mr. Murray casting affirmative votes. Mr. Resnik and Ms. Welander recorded negative votes, and Ms. Theobald an affirmative vote.

There being no further business before the Board, the meeting was declared adjourned. The next regularly scheduled meeting of the Board of Regents will be held on October 27, 1977, at Northern Illinois University, DeKalb, Illinois.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Northern Illinois University - DeKalb, Illinois

October 27, 1977

The regularly scheduled meeting of the Board of Regents convened at 10:00 a.m. on Thursday, October 27, 1977 in the Skyroom of the Holmes Student Center at Northern Illinois University, DeKalb, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order by the Chairman, roll was called, and the following Regents were present:

Dr. Dan M. Martin	Mr. Charles B. Shuman
Mr. James M. Patterson	Mrs. Eleanor R. Suggs
Mr. Guy V. Prisco	Ms. Kimberly A. Theobald
Mr. Richard Resnik	Ms. Jill Welander
Mr. David E. Murray, Chairman	

Not present for the meeting were:

Mr. Michael J. Brady	Ms. Carol K. Burns
Dr. Harry L. Wellbank	

Also present were:

Mr. Richard J. Nelson, President, Northern Illinois University
 Dr. Robert C. Spencer, President, Sangamon State University
 Dr. Lloyd I. Watkins, President, Illinois State University
 Dr. Franklin G. Matsler, Executive Director, Board of Regents

Others in attendance included staff members from the Universities and the Central Office; Mr. James M. Winning, Legal Counsel to the Board; members of the Joint University Advisory Committee; and representatives of the news media.

The minutes of the meeting of September 15, 1977 had been distributed prior to the meeting, and the Chairman asked if there were corrections or additions to be proposed. There being none, on motion by Mr. Patterson, seconded by Mr. Shuman, the minutes were approved as submitted.

CHAIRMAN'S ITEMS

Mr. Murray, noting that there was a matter of importance at NIU to be considered by the Board, yielded the floor to Mr. Resnik.

Mr. Resnik requested that there be a rearrangement of the Agenda to permit Item i. on page 38 of the Purchases Appendix to the NIU President's Report to be considered by the Board at this time. The item requested Board approval of a contract with visiting performers, the Grateful Dead. Mr. Resnik noted that many students were presently waiting in line to purchase tickets and consequently missing some classes, awaiting Board approval.

Mr. Resnik moved for approval of the contract as recommended in the President's Report. The motion was seconded by Dr. Martin.

What is the Grateful Dead, Mr. Shuman inquired? Mr. Resnik explained that it is a popular West Coast band that has been popular in the industry for the past 20 years or so. Mr. Murray noting that \$30,000 plus 80% of gross ticket receipts over \$44,550 is enough to strike fear into the heart of any Regent, asked if the Board has assurance from the University that this will be a break-even or a profitable venture. Mr. Resnik said he has been given to understand that if it is a sellout - and they believe that it will be - the Concert Committee stands to make about \$1,000. President Nelson said when he first became aware of this item, he had refused to ask for a telephone poll of the Board, feeling that the amount of money involved was too significant. However, he added that the Committee does have reserves of about \$25,000 to this point. This has been a deliberate policy to have this kind of a cushion so that in the event no money is made on the performance, the Concert Committee will still be solvent.

The question before the Board was called for a vote, and the motion carried unanimously.

REPORTS TO THE BOARD

Board of Higher Education Meeting

Dr. Matsler reported that the October 4 meeting of the BHE was held in Chicago, and among the items discussed and passed on was a decision to present the Regency budget request and those of other systems to the Board of Higher Education for formal action at its November meeting. The Regency Presidents and he will be present at that time to present their budget requests to the BHE.

The Board of Higher Education also heard a report on faculty compensation, Dr. Matsler reported, which was very interesting in that it showed that faculty salaries in Illinois are beginning to drop back and become lower on a comparative basis with other states. Dr. Matsler said he believes that Illinois, being one of the richest states in the country, should concern itself with providing compensation that is favorably comparable with other states.

Another matter reviewed by the BHE was the way in which programs on the campuses would be reviewed each five years. He noted that the legislature

several years ago enacted statutes which provide that there will be a review of existing programs by the Board of Higher Education. Dr. Matsler said he thinks that Dr. Groves of the Central Staff, working with individuals from the other systems and with the BHE staff, has done a pretty good job of laying out the ways in which the reviews can be done so that the institutions themselves will be involved in the review process.

The BHE also received a report on a financial aids study, Dr. Matsler said, noting that the Regents will be receiving a report on this from the Central Staff later in this meeting.

Dr. Matsler said it is his understanding that the staff of the Board of Higher Education is planning to not recommend approval of the community college district which is being explored in the Bloomington-Normal area.

Mr. Murray reported that the BHE sponsored a program prior to its October meeting for the afternoon and evening, together with the governing boards of the State, on various matters facing higher education in the future - enrollment trends, future funding, and program review - a matter he found to be most interesting. The Board of Regents came out pretty well in the discussion, Mr. Murray said, particularly in the area of program review because it seems that we have done more than the other systems in this area. This is not to say that there is not still considerable need for additional thought to be given to this matter, although he would not belabor that point now.

Joint University Advisory Committee

Mr. Philip Koltun, Chairperson, introduced Dr. Wayne Albrecht, a new member of the committee from Northern. Dr. Albrecht is a professor in the College of Business, Department of Finance.

Mr. Koltun advised that JUAC met earlier in the morning. Their main topic of discussion was that they would like to seek better ways of contributing to the development of long-range Board policies, rather than reacting or responding to specific matters which appear in the Executive Director's Report. They also explored the possibilities for mid-month meetings of the Committee, and perhaps meeting with other advisory committees in the other State systems. They will probably start in this vein by looking at personnel policies and procedures in each of the systems to become familiar with the differences and similarities at each of the institutions.

EXECUTIVE DIRECTOR'S REPORT NO. 92

Section I - Legislative Report

Dr. Matsler said this section of his Report deals with the disposition of legislation of particular interest to the Regency System and rather than review the list he would respond to any specific questions that might be raised. He noted

that the General Assembly has embarked on two concurrent special sessions along with the Fall override session. One of the special sessions has been called to tackle the problems with unemployment compensation as well as other matters. A little later in the meeting Staff will be speaking to a matter of a special problem with the Public Affairs Center at Sangamon State. Mr. Beahringer has been working as liaison with the legislature, Dr. Matsler advised, adding that we have very good representation. Should any of the Regents have questions on legislation, he said, he would suggest that they contact Mr. Beahringer.

Section II - 1976-77 Student Financial Aids Report

Dr. Matsler stated that this is the fourth annual report on student financial aids prepared by the Staff. This year the report was prepared by Mrs. Ellen Schanzle-Haskins, using data from the institutions and the BHE records to prepare the tables which are included. Dr. Matsler said he would not spend a lot of time reviewing the report, but would highlight several points. He called attention to Table 1.1 showing the source of funds for the various student assistance programs. The categories are federal programs, state programs and institutional programs, and the largest per capita amounts are in the ISSC grants. In the year 1974-75 at ISU the average per FTE grant was \$141.00; and the BEOG was \$43.00 during that year, although this has now moved up to \$151.00. At NIU the BEOG has increased from \$39.00 to \$119.00 per FTE. However, the state programs have remained rather level. The data shown for all of the public universities would allow the Board to compare our institutions with what is going on in the rest of the state, he said, in terms of how much aid our students are getting, either from federal grants or from the ISSC grants. It can be seen that we are fairly close to the average on all counts, although there is some variation. The interesting thing about this, Dr. Matsler continued, is the increase in federal dollars going to public higher education through the BOG grants. Whether this is good or bad, we will have to wait and see what the results are, he said. Perhaps one good thing is that these funds are funneled from the federal government to the students who use them to attend the institution of their choice. The ISSC grants also go to the students to pay the cost of tuition, and they are larger for those students who attend the private institutions. The main thing he would call to the attention of the Board is that support for higher education seems to be coming increasingly from the federal government rather than the state, although the Illinois State Scholarship program is probably one of the strongest in the country. The total dollar figures are set forth in the report, Dr. Matsler concluded, and if anyone had any specific questions, he would be glad to try and respond.

Dr. Martin asked if Staff has any idea why the percent of average reported assistance per FTE for all programs has tapered off for Sangamon State, while significant increases are reported for ISU, and NIU has had a marginal increase. The report indicates that there has been a 2% decrease at Sangamon, he pointed out, and he wonders if Staff has a theory on the reason for this.

Dr. Matsler said this could be a function of the FTE number itself. Ms. Schanzle-Haskins said if one looks at SSU in the area of the BEOG program for the 1974-75 year it would be seen that this went from \$1.00 that year to \$88 in 1976-77. This could be a result of the fact that the BOG has been phased in, one class per year. This probably would account for the big increase in that area. Dr. Martin said he was referring to the bottom line of the table which shows that the total of all programs indicates a 21% increase at ISU, a 9% increase at NIU, and a 2% decrease at Sangamon. What is the explanation for this? Mr. Patterson noted that the guaranteed loans dropped significantly at SSU (a 48% decrease for the period 1974-77). There may be a number of factors responsible for this, Dr. Matsler suggested, and one is the kinds of students who attend Sangamon. SSU is getting fewer out-of-the-area students, but they would like to have more. President Spencer will later in the meeting be speaking to the problem of housing, he added. There is a drop in the number of students from outside the area, and most of those who come from inside the area live at home, many are older persons who do not qualify for BOG's or student loan programs. The factor may be the mix of the student body itself.

There was a 92% decrease between the years 1974-75 and 1976-77, Mr. Patterson pointed out, and this is very significant. But by the same token, Mr. Murray said, there was a shift from loans to BOG's. But these were phased in one class per year, Mr. Patterson said. Ms. Schanzle-Haskins said it seems that the financial aid officers attempt to stay away from the loan programs if there are other kinds of gift aid or grant programs available, and since at SSU the gift aid or monetary awards have increased, there would be less people going to the guaranteed loan program.

Dr. Martin observed that this would still not explain the net loss when all other costs continue to rise. There must be some simple explanation for this, he added.

Dr. John Keiser, Vice President for Academic Affairs at SSU, said their experience has been in the last three years that there has been a decline in the number of FTE students and an increase in the number of part time students. Basically, these students are employed and not eligible for this sort of aid. The total is then divided by a different mix of students, Mr. Patterson said.

Mr. Shuman said he did not notice any report on the status of the loan program, and he thought that from time to time it would be good to have some information on repayment of these student loans.

Dr. Matsler said this could be included in future reports, but Staff has no data on it right now. Mr. Shuman said he would like to see the differences among our institutions and see which ones are doing a good job of collection. Mr. Murray said he would also like for the report to include a summary of the changes Congress made in the collectability of student loans.

Section III - Tuition for 1978-79

Staff is presenting this report, Dr. Matsler advised, to give the Board some background on the problems of determining tuition so that in the future months it can make the decisions that must be made as to the level of tuition for Fall of 1978. The report is not meant to sway the Board one way or the other, he added, but rather to give the facts as they exist and present a number of alternatives. The alternatives include, but are not limited to those listed on page 36 of the report.

The alternatives, Dr. Matsler said, include continuing the current tuition rates for 1978-79 with no commitment for future years; retaining the current rates for 1978-79 with increases scheduled for Fall of 1979; adopting a policy that tuition increases will be based on changes in the Consumer Price Index; adopting a policy that tuition should remain at the current 31.5% of instructional cost, and tuition would increase proportionately as the cost of undergraduate instruction increases; and adopting a policy that tuition will be increased annually so that by 1979-80 the undergraduate resident tuition will reach one-third of instructional cost, in accord with the BHE's policy.

Dr. Matsler stated that Staff is not ready to make a recommendation to the Board at this time on the matter of the tuition level, because this needs to be discussed thoroughly by the Board. He called attention to the table on page 35 of the report listing combined tuition and fees at the Regency Universities and those at AASCU institutions in nearby states for the years 1975-76 and 1976-77.

Mr. Patterson said he would like to know what are the practices of our competition inasmuch as we are, in a sense, pricing our services. He said he is inclined to make modest changes more frequently, rather than waiting until the matter of raising tuition becomes a problem; but he first would like to see information on what is the general practice of our competition. How frequently do they adjust tuition?

Most of the institutions do adjust tuition regularly, Dr. Matsler responded. Perhaps this is the way we should go, Mr. Patterson suggested - the Board should consider this alternative.

Another alternative would be to try to reduce tuition, Dr. Matsler said. There are some who think it is already too high, while others feel that because the Board of Regents is the system in the state with the lowest tuition we can't realistically reduce it further, although we could hold the line. Dr. Matsler said perhaps we did an injustice to the students last year by imposing a \$96 increase simply because tuition had not increased for 4 or 5 years; and perhaps it would be better, as Mr. Patterson suggested, to adjust it each year to maintain whatever level is decided upon, and not have such a big jump all at once.

Mr. Patterson said he thinks we should decide what is the optimum practice and still be able to serve as many students as possible. What would be best?

He said he likes being one of the systems charging a lower rate, if we can live with that without the quality of the institutions suffering.

Mr. Shuman said he believes the observations in the report are good, but there are also other alternatives. Dr. Matsler had mentioned earlier that support for higher education in Illinois does not stack up very well on the national average. One alternative would be to key tuition charges to increases that are given to faculty and staff, and if you increase salaries by 5%, tuition could be increased by 5%. This might cause some who have advocated increased salaries to think a little.

Mr. Murray said if we follow the one-third of instructional costs, we would arrive at the same thing, or at least close. But the Board of Regents has never adopted the policy of trying to be at 30 or 33%. We have not followed that policy, Dr. Matsler agreed, as an ongoing policy.

Mr. Shuman noted that in the previous go-around on tuition it was predicted that an increase of \$96 would reduce enrollments. He said he did not see any figures in the Staff report on enrollments, but he would like to know if we did have such a result.

Enrollments have gone up and down, Dr. Matsler said, and it would be difficult to tie any change in tuition to enrollments. Mr. Shuman said he could not refrain from commenting that the increase did not affect enrollments.

Mr. Prisco said he believes the underlying consideration in all of this is more related to the Consumer Price Index and inflation than to anything else. He does not see necessarily where the one-third formula relates to that, and if we are talking about preserving the quality of an institution, the effects of inflation will play on that if we don't adjust or keep up. He would suggest that we would have to arrive at some correlation between the erosion influence of inflation and the amount of income needed to keep up, or make other adjustments to keep up with inflation. Except if we are out of step with where we ought to be, Mr. Shuman said. If the legislature appropriates only so much, we have only one other place to get the money. Apparently, he said, the assumption has been made that economies have been made as much as possible and that, therefore, there is only one other place to get the money.

Staff is reluctant, Dr. Matsler said, to recommend to the Board an automatic increase in tuition in accordance with the cost of living or inflation, because the Board will probably want to reserve the right to make this decision each year based on other considerations such as whether it is an election year, whether the Governor has commented on his support, etc. These are important factors the way things are done here in Illinois. Rather than make a recommendation for an automatic increase, he would rather have the Board discuss it each year and fight it out using the data available.

Mr. Shuman had suggested an in-between course, Mr. Patterson noted, but we have not kept faculty up with inflation; so if we geared tuition to what the

State has been approving for its employees, it would be more modest, more gradual and more realistic, because personnel represents a very large part of the total cost of the budgets.

Ms. Welander said she would hate to see a tie-in between tuition and faculty raises because this would cause friction and tension unless we throw in administrative costs also. It would have to be tied to total personnel costs, Mr. Patterson said.

Mr. Shuman said he would just like to get away from this business of being pressured for increased salaries and then having the same people want to hold tuition down. Let's get them into the same package, he suggested.

Dr. Martin said as long as the legislature appropriates funds from the University income funds, the Board's discussion about setting tuition levels and its power to do so becomes a little academic. We can set tuition wherever we want, but if the legislature doesn't appropriate the funds we raise, it will not do the universities any good. We do need to continue to support the proposition that we keep the tuition revenues so that we can make some plans and be able to adjust according to the needs as we see them. The Staff report, Dr. Martin said, is a good one to give the Board the context of this whole thing. The Board has been beaten about the head and ears for some things, and one of them is keeping the tuition lower than any other comparable university in this part of the country. Dr. Martin said he thinks that is something we should take pride in. He thinks that the Staff analysis gives us a sense about where we are in this because it will help in figuring out what to do in the next few years.

This report was prepared by Dr. Brim of the Central Staff, Dr. Matsler advised, and we have been accused by some members of the Staff of having a bias in favor of a little more tuition, but the report is a statistical representation of what exists. Dr. Matsler emphasized that Staff is not attempting to sell anyone on a particular point of view, but he does agree with Dr. Martin that the Regency System looks pretty good in the report compared with other institutions in other states, as well as others in Illinois. Tied in with Mr. Shuman's idea that perhaps we should tie in tuition with salary increases, he said he would point out that a 5% increase in tuition, say 5% of \$500, would generate only about a 1% salary increase. This is true, Mr. Shuman said, but the goal never has been to get 100% of instructional costs.

Dr. Matsler advised that Staff will bring in a recommendation to the Board at the February meeting. Staff is keeping in close touch with other systems in the state, adding that he has already shared the report with them, and they have indicated a strong interest in it. This is not an action that will be taken unilaterally, he said, rather each system will know what the others are doing.

Actually, Mr. Shuman said, referring to page 33 of the Staff report, in Illinois tuition is quite uniform among the institutions, with the possible exception of the campuses of the University of Illinois. The variation seems to be in student fees, which is a rather high percentage of the total at some of our universities.

The Presidents will be coming in later with some adjustments in fees, Dr. Matsler advised, although he is not quite sure about the timing. Fees are really established with much input by the students, he added.

Referring to Table 7, Mr. Patterson said in terms of constant dollars tuition instead of going up has actually been going down every year since 1971. That is a fine record, he said, and we should feel pleased about it.

Unfortunately, Mr. Murray said, the total university revenues appear the same way, salaries appear the same way, along with everything else. As long as we have inflation this will keep getting worse. We do have to try to keep even with it, Mr. Patterson commented.

Mr. Resnik said he had a question about the possible incompleteness of some of the statements on page 25 of the report. For instance, he said, the statement that the "tuition charged at public colleges and universities in other states had increased substantially in recent years while tuition in Illinois institutions had remained at the same levels for six years". There is an important thing not being considered here, he said, and that is the philosophy behind a tuition increase. He said he questions the Staff's objectivity in the way it approached this question. It seems to him that there are some items presented in a subjective way where the student position is not reflected accurately. For instance, the statement that "in terms of 'real' dollars, the tuition paid by the student had been declining in recent years and the increased tuition would still be substantially lower, in constant dollars, than the tuition charged a few years ago". That statement does not take into account the real dollars that students have been accruing to themselves, and that in terms of real dollars the students' incomes have been decreasing also. Mr. Resnik said he believes it would be accurate for Staff to approach this in a well rounded fashion.

Dr. Matsler said Table 7 on page 32 lays out what happens with the constant dollars, and he sees nothing in the Staff's recommendations counter to what is found in that table. He does not want to have to defend his subjectivity, he said, adding that it is very difficult to present statistical data like this without there appearing to be some bias; but Staff did look at that particular problem, and it would be seen that actually tuition in constant dollars has decreased.

Mr. Shuman said he thought what Mr. Resnik was trying to say is that a statement should have taken note of the fact that students' real dollar incomes are also down. As are faculty salaries, Dr. Matsler said. That is true, Mr. Resnik said, and it is a viable consideration, so when we think about increasing tuition we should include all individuals, particularly the students.

It is a very complicated matter, Mr. Murray said. Unfortunately, the federal government is making more money available to go to school, and at the same time it is causing inflation to depreciate the dollars one has. In view of what appears to be a continuing problem, he said, where it appears that approximately one-half of the students are receiving some kind of grant or assistance,

and where it appears that the grants or scholarships are going to take into consideration the increases in tuition, if we increase tuition, we are increasing it on the Scholarship Commission, the general revenue of the state, and that other half of the students who do not get any financial aid, and who end up paying a disproportionate part of the increase. Is that an accurate observation, he asked?

It is accurate, particularly in Illinois, Dr. Matsler said, where everytime tuition is increased, the ISSC funds have also been increased.

Dr. Martin said it is important to keep in mind that ISSC dollars are targeted on students who express need in an objective way, although there are problems with the way in which that need is run through their computer, and how much they figure a person ought to be able to contribute. But certainly that is a good deal more equitable than the kind of subsidy we provide to all students, which includes those who can afford, or whose parents can afford, to pay something. If we are concerned about equal access and equal opportunity, we have to think about making sure that as much money as possible does go through the device that targets the public dollars on those who need them. A lot of families simply do not need the kind of support that others do, and everytime we help out those who do not need it, we take money out of the pockets of those who do. Dr. Martin said sometimes he is afraid that this fact gets lost when we are thinking about tuition prices.

In this situation, Mr. Shuman said, the primary factor is inflation, and when you are confronted with the kind of runaway inflation that we have today, there is no way to adjust equitably at any time. The more you look to these kinds of loan and grant programs, the more we use them, the greater the inflation - which is a creation of the federal government. We contribute to it everytime we do anything in the way of spending. There is no such thing as equity in this situation - you just work from year to year and do the best you can.

Section IV - Summary of Annual Foundation Reports for FY1976-77

Dr. Matsler advised that Mr. James Schmitt of the Central Staff prepared the summary from the reports submitted by the institutions, and it is presented for the information of the Board.

After a discussion by members of the Board as to the independence of the university foundations, Mr. Murray asked Mr. Winning if he was prepared to explain to the Board the problems that we have with the foundations being an arm of the state. He said he might say also that he has some question as to whether the people who are criticizing us are accurate, so he would start with that prejudice.

Mr. Winning said he does not think that because of the present practices of the foundations there are any immediate problems of a substantial consequence - even if it were to be decided that they are corporate outgrowths of the universi-

ties. The things that most of the foundations have to do if they are corporate outgrowths - comply with the provisions of the Illinois Auditing Act and the State Purchasing Act - they are doing now. However, Mr. Winning said, legislation governing everything is constantly changing, and it probably would be wise to indicate clearly that the foundations are not corporate outgrowths, just for prospective legislation which might become prohibitive to the activities of the foundations. But right now, he said, there is no monumental problem of which he is aware.

Dr. Martin said he is glad to hear that there is no immediate problem, but he thinks we should be especially vigilant on this point, because if it does develop that the actions of the Auditor General contribute to discouraging private, voluntary gifts to support the public purposes in these institutions, then we have a political issue on our hands that we should run up the flagpole because this is an outrage and should make everyone angry to think that a state official was trying to discourage voluntary contributions to tax supported enterprises. The more voluntary contributions we can get, the better off we will be and the better able to serve the public purpose. Dr. Martin said he thinks we should put the Auditor General on warning that this is a serious thing he is playing with, and, personally he is ready to tilt with the windmill. Mr. Patterson said his counsel would be that there is nothing to tilt with right now, but he does think that we do have something serious to lose if, in fact, it ends up that the principle of private contributions to the institutions is undermined or discouraged; and he thinks that the public policy should go out of its way to encourage such support. Dr. Martin said he cannot conceive of any good reason why any taxpayer should think otherwise.

Section V - Quarterly Change Order Report

In accordance with Board Regulations a report was submitted summarizing the number and amounts of construction change orders approved during the first quarter of FY78. All change orders have been reviewed by the Central Staff for approval, and appropriate action has been taken.

Section VI - Public Affairs Center - Sangamon State University

Dr. Matsler said the Board would remember that this project was begun in 1971 with a program statement for a Public Affairs Center at Sangamon State which would seat about 1200 students. After the planning had been in progress for some time, a group of citizens from the City of Springfield suggested that the Public Affairs Center be expanded to include a performing arts theater as well as capacity to provide seating for 2000. A number of seats and a stage loft were added, and we received estimates from the architect, Mr. Wallace Henderson, who appeared before the Board and provided the estimates listed in the report. The project was put out for bids in a piecemeal fashion. We first let the contract for the pylons, and then the V-shaped building was constructed which will, hopefully, one day contain the performing arts center or at least a public affairs center with an auditorium for our purposes. A combination of things then happened: inflation, holds on releases from the Governor's Office,

delays with the CDB itself, so that now we are about \$3 million over what it would take to complete the Center. We are in very bad shape, Dr. Matsler said. There is no way in which we can point a finger at one person or one agency, but neither can anyone point the finger at us for not doing our duty and trying to get the PAC completed. We do, however, have a building that is not complete, and we must for the sake of Sangamon State provide some way in which we can complete the center. Staff has discussed this with local legislators, with the CDB and with the Board of Higher Education, and now thinks that we can, with a little luck, get into this session an amendment to an existing CDB bill which would provide the funds to complete the building. Whether or not it will be completed to our satisfaction or the University's satisfaction is a question, but Staff feels there is no other way out other than to support the funding necessary to complete it. Staff is asking the Board to recognize the situation we are in and realize that if we do not get the additional funding, we will have a V-shaped building sitting on stilts at SSU, which is not adequate, not complete, and does not even meet the original specifications which were laid out.

Staff recommends, Dr. Matsler said, that the Board of Regents support the seeking of additional funding which will allow the completion of the Public Affairs Center.

Recognizing that Dr. Matsler said he is not pointing a finger at anyone, Mr. Shuman said he thinks this is a classic example of everybody getting into the act. This Board had some reservations when the Springfield community wanted to expand the facility by putting in a big auditorium, and it was a little reluctant to approve this. Mr. Shuman said he hopes that we have learned a lesson, and that if we go to build anything else we will forget about everyone else and let them build their own. We are going to get the blame for this, Mr. Shuman said, there is no question about that.

We may, Dr. Matsler said, but the people in the agencies in the State do not and should not blame the Board of Regents for what has happened. But the public and the media will blame us, Mr. Shuman said. Mr. Patterson said he could agree with Mr. Shuman, but still thinks that the Board should support completion of the building.

Mr. Shuman said he does not understand why the estimating firm could have been in error almost \$2 million on this, and he would not pay them a cent. This is in the hands of the CDB, Dr. Matsler said, not ours; and he asked Mr. Beahringer to comment on this aspect. The firm was Turner Construction Company, Mr. Beahringer advised, one of the largest in the world. Their record has been very good in the past, he said, but they just blew this one. It was first thought that we received bad bids, he said, so they went back and analyzed everything with all of the contractors. But the estimates were just way off. The contract Turner has is with the architectural firm, and the architect's contract is with the Capital Development Board. Mr. Beahringer said he agrees that they should not be paid, but he does not believe that this Board would have any input into that decision.

Mr. Patterson moved for approval of the Staff recommendation to support the seeking of additional funds to complete the Public Affairs Center. The motion was seconded by Ms. Welander, and it carried unanimously.

Section VII - Internal Budgets for 1977-78

Dr. Matsler advised that this section of the Report had been prepared by Mr. William Keating, with the assistance of Mr. Schmitt of the Central Staff, and both would be available to answer any questions the Board might have relative to the internal budgets. This is an important document, he said, in terms of helping the Board to understand expenditures. We have a total of \$162 million in the System and that is categorized in various ways so that the source of funds and how they are allocated can be seen. When the tables showing institutional support and academic support are examined, it will be seen that over the years there has been an improvement.

Dr. Matsler directed attention to Table 1 showing the source of funding for the \$162 million total. This amount is made up of \$86 million from General Revenue Funds, \$21.6 million from University Income Funds, \$32.8 million from Revenue Bond Operations; and \$770,000 from Auxiliary Enterprises, \$8.9 million from Gifts, Grants and Contracts, and \$11.9 million from Local Funds. It will be noted, Dr. Matsler said, that the source of the University Income Funds is primarily tuition - some \$20 million. These are moneys that have to be appropriated back to us by the legislature. The biggest items in Revenue Bond Operations are the food service and dormitories.

Dr. Matsler then reviewed Table 2, Allocation of Operating Resources by Functional Activities, noting that instructional costs total \$63+ million, which constitutes a large part of the budget. This is the figure used as we determine comparisons on tuition - the instructional costs. Dr. Matsler continued, stating that the student services and institutional support are two items which really reflect administrative costs to a certain extent, and it is interesting to see what percent of the total cost these represent. Table 3 sets out the percentage distribution of operating resources by functional activity and fund source, so that the Board can see whether or not there has been any reduction in costs.

Referring to Table 4, showing the Historical Distribution of Appropriated Operating Funds by Functional Activity for ISU, Dr. Matsler asked the Board to consider the lines for academic support and institutional support. It will be seen that the percent devoted to academic support has been pretty stable throughout the years. Institutional support has been rather stable also, but dropping a bit through the years. The same thing holds true for Northern, he said. At Sangamon State a larger percent is shown for academic support and institutional support, probably because it is a newer institution and has different problems, but the percent has decreased some and it is hoped that this will continue. President Spencer is sensitive to the problem, he added.

The report gives the Board an overview of what we have in the budgets, Dr. Matsler concluded, and how the institutions allocate the funds they receive.

Staff recommends, he said, that the Board approve the Fiscal Year 1977-78 Internal Budgets for Illinois State University, Northern Illinois University, and Sangamon State University; and also that the Board authorize the Presidents to make reasonable and moderate changes in the budgets as presented, subject to availability of funds, statutory limitations, and Board Regulations.

Mr. Patterson moved for approval of the Staff recommendations. The motion was seconded by Dr. Martin.

Mr. Murray noting that the funds allocated for Public Service had increased at Sangamon State, asked President Spencer if he could give the reason for this increase.

The President said he believes that this has to do with the fact that they had transferred some joint appointments that were once counted under Instruction to Public Service. It is not a change in the University's direction, but rather a change in the way they have reckoned with the public service component of the university's mission. Dr. Keiser added that last year they had 6 faculty members reported under Public Service, and this has increased to 12 this year. Additionally, they have one new center, the Legal Studies Center, for the first time this year. They also have increased funding for three other centers.

Mr. Murray said he had been encouraged last year when the allocation for Academic Support showed a decrease, but now it appears to be going the other way, and he asked Dr. Spencer if he cared to comment on this. The President said part of this is due to what Dr. Keiser had just pointed out, and part is due to the fact that they do have fewer students. There is an institutional plan for reducing this, Dr. Keiser added. All the Board has to look at is trends, Mr. Murray said, and when they had Academic Support down to 12.8%, the Board had the impression that was going to be a permanent thing, but now it seems to be going in the other direction. The President said the University is very much aware of this, and if there were any suggestions as to how they can do more than what they are doing right now, they would be most welcome. There is only one way to reduce this, Mr. Shuman suggested, a bigger workload must be put on fewer people. President Spencer said he has asked his division heads to do that very thing - reduce the scope of middle management in numbers and provide money for reallocation for instructional purposes. That survey is not yet in, he said, and it involves positions which are vested in the Civil Service System and some other very delicate personnel matters. This is not a reorganization, he said, but a reduction and reallocation which will put more money into the instructional areas and reduce overhead. He can likely report on this in January, the President said.

The question before the Board for approval of the internal budgets was called for a vote, and the motion carried unanimously.

Section VIII - Central Office Personnel

Dr. Matsler said he was pleased to be able to announce the appointment of Mr. Richard G. Lim to fill the position of Budget Officer in the Central Office, effective October 16, 1977. Mr. Lim has been with the Bureau of the Budget since 1974 and was Unit Chief for Higher Education for the last several years.

Mr. Patterson moved for approval of the appointment. The motion was seconded by Mr. Shuman, and it carried unanimously.

Section IX - New Programs

Dr. Matsler noted that the Board members had been furnished with the full statements of the two programs being recommended for Northern Illinois University, both of which are emphases in the Department of Industry and Technology.

Staff recommends that the Board approve the proposed Emphasis in Industrial Design and Drafting and the Emphasis in Safety within the Bachelor of Science, Comprehensive Major in Industry and Technology, both to be initiated in the spring semester of the current academic year.

Mr. Shuman moved for approval of the Staff recommendation. The motion was seconded by Mr. Resnik, and it carried unanimously.

Section X - Report of Legal Counsel

Mr. Winning presented the following collective bargaining agreements with a recommendation that the Board authorize the Presidents to execute the contracts. He noted that his statement with respect to the contract at ISU with Operating Engineers Local 8 was not entirely correct, in that the position of Chief Plant Operating Engineer is within the bargaining unit, but the wages are not bargained in connection with the contract. There is a range established for that position, Mr. Winning advised, and it is not a contract hourly rate position.

1. SSU - AFSCME Local 1685
This contract covers grounds and maintenance workers. It contemplates moving from a 40 hour week to a 37½ hour week as of November 1, 1977, and the wage increases are within appropriate ranges.
2. ISU - Chauffeurs, Warehousemen and Helpers Local No. 26
This agreement covers building mechanics, and the wage increases are within appropriate ranges.
3. ISU - Operating Engineers Local No. 8
This agreement pertains to operating engineers and firemen, and the wage increases are within appropriate ranges.
4. NIU - Fraternal Order of Police Lodge 86
This is a new contract covering police officers at the DeKalb campus.

5. NIU - AFSCME Local No. 963

The agreement covers kitchen workers and building service workers, and the wage increases are within appropriate ranges.

Dr. Martin moved that the Board grant the recommended authorization for execution of the collective bargaining agreements. The motion was seconded by Mr. Prisco.

Mr. Shuman, noting the statement that the classification of Chief Plant Operating Engineer is inconsistent with Board policy for inclusion in the contract at Illinois State, asked why the Board should approve the agreement if this is so.

Mr. Winning said this is one we have had for some time. The Board policy is that we should not have supervisors in a bargaining unit, but every operating engineers contract that we have had has included that job classification, and it has been included for years. We have tried consistently, he said, to eliminate it, but there has been no opportunity to do it with that particular unit.

Since the position is unfilled, Mr. Patterson commented, there is really not a lot of motive to remove it. It really is not unfilled, Mr. Winning advised, but it is not bargained on an hourly rate with the bargaining contract in this case. A range has been established for the position.

The motion before the Board was called for a vote, and it carried unanimously.

Mr. Winning said he had an additional item to present to the Board, relating somewhat to the question of the university foundations. As time passes and things change, he said, elements become apparent that sometimes otherwise are not apparent. He suggested that perhaps the Joint University Advisory Committee might be very interested in this. In the university governance documents there are some items, particularly with respect to faculty appeals, which from a technical standpoint may be inconsistent with the Board's policy of accepting faculty appeals on a writ of certiorari basis rather than an automatic requirement that they accept all faculty appeals. For example, Mr. Winning said, in the Sangamon State governance document the implication is that every faculty representative has a right to an appeal and to have that appeal received by the Board of Regents. This is one example of how things can happen, and until we get a particular set of circumstances that we can view it from that standpoint, we have language that gets in our way. Mr. Winning said he would probably be making some recommendations, perhaps at the December Board meeting, regarding some changes in our governance policies which will permit us to absorb that without having an apparent inconsistency. Mr. Winning said he wanted to call this to everyone's attention so that they would be aware of the matter.

RECURRING INSTITUTIONAL MATTERS

President's Report - Northern Illinois University

President Nelson said the Board would note the lengthy writeup in his Report relative to the parking facility, and he suggested that he would leave that item until the end of his report inasmuch as he understands there are people from the community who wish to address the Board on the subject.

Copies of an Addendum to the President's Report, Purchases Appendix, were distributed (Air Travel - NIU Marching Band).

Information reports were submitted on:

Students

Grants and Contracts (Research, Institutes, and Studies)

Gifts to Northern Illinois University

Gifts to Northern Illinois University Foundation

The following items were submitted for Board action:

1. Personnel transactions for faculty and other employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. Permission was requested to make a partial refund of tuition and fees to Thomas Charles Dean in the amount of \$286.65; to Kevin B. Duffy in the amount of \$286.65; and to Kathleen S. Noto in the amount of \$286.65.
3. Collective Bargaining Agreement with AFSCME Local No. 963.
(Board action on this item is recorded as part of Legal Counsel Report.)
4. Collective Bargaining Agreement with FOP Lodge 86.
(Board action on this item is recorded as part of Legal Counsel Report.)
5. A Resolution was presented to provide for collateral for the University's checking account at the DeKalb Bank:

RESOLVED, that Northern Illinois University utilize the services of the Federal Reserve Bank of Chicago for the safekeeping of United States Government securities owned by The DeKalb Bank or by any of its agencies or departments and pledged as collateral for the University's checking account, upon terms and conditions prescribed by said bank.

RESOLVED, that such securities deposited for safekeeping with Federal Reserve Bank of Chicago may be released from safekeeping, delivered, sold, redeemed, exchanged, or otherwise disposed of upon instructions signed by:

Vice President for Business Affairs
Controller

RESOLVED, that Northern Illinois University forward a certified copy of this resolution to the Federal Reserve Bank of Chicago together with a certificate attesting to the names and signatures of the present incumbents of the offices described above; and that Northern Illinois University Clerk further certify to the bank from time to time the signatures of any successors in office of any of the present incumbents.

RESOLVED, that Federal Reserve Bank of Chicago shall be fully discharged from all liabilities or responsibility for any action carried out in accordance with this resolution and it shall be entitled to rely on this resolution until it receives express written notice to the contrary in the form of a certified copy of a subsequently enacted resolution.

RESOLVED, that this resolution shall supersede and cancel all previous resolutions relating to the safekeeping of securities at the Federal Reserve Bank of Chicago.

6. Permission was requested to enter into negotiations with Dr. Oscar Buross, Director of the Institute for Mental Measurements, to transfer his library of tests and evaluative instructions, to establish an Oscar Buross Institute of Mental Measurements (subject to regular and required approvals by the Board of Regents and the Board of Higher Education), and to assume editorial and production responsibilities for future editions of the Mental Measurements Yearbook.
7. Purchases as appended to the President's Report.
8. Buildings and Grounds
 - (a) West Heating Plant - Installation of Concrete Floor and Floor Drains
A tabulation of bids received for the project was presented with a recommendation that the low bid be accepted and a contract awarded to Irving Construction, DeKalb, in the amount of \$3,250.00. Payable from Revenue Bond Funds, 21-55180-772.
 - (b) Retube Absorber Unit at Wirtz Hall - East Campus
Permission was requested to prepare plans and specifications, advertise and receive bids for retubing of the absorber unit in Wirtz Hall. Estimated cost of the project is \$20,000 and no architectural/engineering fees will be charged to the project. Payable from General Revenue.
 - (c) Repair Parapet Wall at Zulauf Hall - Central Campus
Permission was requested to prepare plans and specifications, advertise and receive bids for repair of the parapet wall and coping on Zulauf Hall. Estimated cost is \$17,000, and no architectural/engineering fees will be charged. Payable from General Revenue.

(d) Parking Facility - East Campus

Permission was requested to engage the services of DeLeuw Cather & Company to provide the necessary engineering studies; develop plans and specifications in consultation with a landscape architect; advertise and receive bids and and supervise the construction of the necessary utilities, parking areas, access roads and all other activities, excluding landscaping, necessary to the completion of the surface parking area.

Permission was requested to waive the Board of Regents requirement for presenting schematic design results for approval, and in lieu thereof, the University will review plans with the Board staff prior to bidding the project.

Permission was requested to proceed with the demolition and/or relocation of the five remaining structures located on the site.

The recommended preliminary budget is as follows:

Site preparation, including demolition/relocation of 5 existing structures	\$60,000
Construction of parking area, including utilities, access roads, curbs, gutters and sidewalks, asphalt parking areas, lighting, necessary signage and control mechanisms	\$520,000
Construction contingency, landscaping material, engineering and landscape architect's fee	\$116,000

(e) Remodeling Swen Parson Library Phase II

The President advised that the bids for the heating and ventilating work in this phase of the project came in about \$160,000 over estimates. Only two bids were received, and permission was requested to go out for bids again. With more time, the University feels that more bids will be received. Permission was also requested for the Ad Hoc Committee to act on the bids when they are received, but if not, they would be submitted for Board action at the meeting on December 1.

Commenting on the proposed parking facility, President Nelson traced the history of the project and the problems which have been encountered. The proposed project for surface parking, he said, has been reviewed carefully by the Environmental Committee on campus which, along with the Parking Committee, is supportive of the proposal. Also, he said, the Student Association is supportive of the proposal. There has been some objection from some of the residents around the area, and a week ago a meeting was held at the Newman Foundation and some 50 or 60 persons attended. Subsequently, a second meeting was held by the

Environmental Committee and spokespersons for the citizens group were invited. The Environmental Committee continued to support the program. The President noted that Dr. Katkovsky, who is a member of the faculty at Northern and who has a home in the area, has requested permission to speak to the concerns of the citizens who live in the area.

The Chair recognized Dr. Katkovsky who stated that he appears on behalf of the residents who live on Normal Road who have a strong interest and serious concerns about the University's plans for the parking facility, and who wish to maintain the aesthetic, social and peaceful qualities which have been associated with the neighborhood. Dr. Katkovsky said the citizens group requests, with all due respect, that the Board direct the University to explore alternative sites for added parking and to continue working with the community representatives in the development of plans for the use of this site. They would like assurance that the university is sensitive to their needs and receptive to their ideas.

Mr. Murray thanked Dr. Katkovsky for his statement. He said he gathers that the group was not formed when the Board discussed the enclosed parking facility, but he wonders what their reaction to that project might have been.

The committee did not exist at that time, Dr. Katkovsky said, and he had been out of the country. He said his understanding is that there was a greater reassurance about the proposed structure than about the parking lot, particularly about the aesthetics. There was greater assurance than now exists that there would be attractive landscaping. The consolidation of their position is something that has occurred since the introduction of the open parking lot proposal.

Mr. Murray said Dr. Katkovsky probably knows that NIU and the Board were very cognizant of the aesthetic features of the proposed parking building, particularly Mr. Prisco who remarked today that he was the father of the most beautiful unbuilt parking garage around. The Board does share the concerns the committee has expressed, Mr. Murray said, and he would hope that the University does also. The Board has been trying to do something about the aesthetic characteristics of the campus for several years, and he is certain that this feeling has been communicated to Northern.

Mr. Patterson moved for approval of the Report of the President of Northern Illinois University, as amended. The motion was seconded by Mrs. Suggs.

Mr. Prisco, noting the University's request that the requirement for presenting the schematic design to the Board be waived, asked why this is necessary. Is the university under some time constraint, he asked? He added that he could not imagine that this would be built this year.

Vice President Smith said they are under a time constraint due to the Auditor General's guidelines relative to local funds. The University would be glad to bring the schematic design to the Board, however, examining the schedule of Board meetings and the possibility of a combined meeting for March and April, if they can't make that one, that would put it up into May. This would mean that the final design and bids would have to be back to the Board in June, and he does

not believe that they could do this. If the design is finished, he said, it could be brought to the Board at the February meeting, but added that he is not sure this can be done.

Mr. Prisco said it is his opinion - not just because of the concerns expressed by the citizens group today, to which we must be sensitive, but also because of the particular effort that has been made to improve the natural environment of NIU - that the Board should be more involved in the detail of what is going on. He thinks, he said, that once the schematic design phase is eliminated, consideration of things like this are etched in stone and there is more pressure to go ahead with the project.

Dr. Smith said they would be happy to bring the schematic design to the Board and if the Board should approve of the project today, he would encourage the engineers and architects to proceed with haste to accomplish a presentation of the design at the February meeting, hopefully.

Mr. Prisco said he could not imagine, based on all the work that has been done on site analysis before, that this should be that difficult. It is important that this be looked at by the Board. In terms of the present approach, and relating that to the Fash report, he asked if it has been concluded that there will be no future parking structure built in that area. Will this accomplish the original goal?

It will accomplish a part of it, Dr. Smith said, as far as additional spaces to be gained, but it will be somewhere between 120 and 130 less than the structure would have provided. This is the first phase, he said. In planning future development of parking and elimination of other types of lots, it is indicated in the Fash report that a second priority would be an area south of the Wesley Foundation for a parking structure. There are a lot of factors relative to financing and interest rates at such a time that must be considered. But they have not eliminated that site as a possibility for a structure, although they will not build a structure on the present site if they are allowed to proceed with the surface parking lot, Dr. Smith said.

Mr. Prisco asked if this concept will include the idea of the possible construction of a parking structure on the site in the future.

It precludes the construction of a parking structure, Dr. Smith responded. Definitely, Mr. Prisco asked? As it now stands, Dr. Smith said, but as to 10 or 20 years from now, he could not speak to that because he does not know how long he might be at the university.

When we talk about implementing a long range plan, Mr. Prisco said, the time element itself causes changes that require re-evaluation, and he would think if the decision here is made to construct this lot, there is a related decision that says that we have either accommodated that provision of the long range plan, or we are making adjustments somewhere else. If in fact there is still a possi-

bility that would add a second deck or something over this existing structure in the future, this would have to be considered in planning of the structure now.

President Nelson said it was their conclusion that this would be a second accommodation for the first site. The first accommodation was moving it from immediately across the street. Now they have felt obliged to compromise a second time, and in his own thinking the next step to develop the Fash plan and the parking aspects of it would be to set their sights on achieving of acquisition of the other land on the corner of Normal and Lincoln. That request is of second priority in their capital budget. Once they own that land and have completed paying for this development, they can address the issue of trying to clear up that site and build a facility there.

Mr. Prisco said he believes that the Board needs reassurance that when adjustments are made that they are, in fact, being accommodated in the overall plan. For example, he said, we went through this to a certain extent at Sangamon State where changes in the original master plan were made. It was re-evaluated, and it was shown to the Board that in fact these readjustments were accommodated in revising the overall plan. What he is trying to say, he emphasized, is that we should not try to eliminate too many steps in keeping the Board informed so that it can act intelligently on these decisions. He really is convinced, he said, that the schematics should be brought to the Board.

Mr. Shuman said it seems to him that the request of the spokesman for the community group was a reasonable one, and he would hope that the University, if the request is approved today, would review with the citizens group the alternatives which were considered by the university; and he would hope also that the design, which is most important, would be one that takes into account their concern about the appearance of the neighborhood. He said he thinks a surface parking lot can be far more attractive than a multi-level structure. For example, the lot at SSU is very attractive, and Northern might suggest to whoever does their design to take a trip to Springfield and see what they did at SSU.

President Nelson cited what Northern had done with an unsightly lot next to Anderson Hall. He said he would like to think that if NIU has achieved any credibility at all in the last three years, it has been in their attempt to upgrade the environment. The University is committed to sharing with the community the plans for the parking lot before they come to the Board and give the citizens a chance to react.

Mr. Prisco said he would submit that no amount of landscaping will camouflage poor planning or lack of consideration for very important functional elements such as basic circulation. He has no idea, he said, since time has passed on this project, if some things have changed - such as concerns for traffic patterns. This is important to look into. Another thing, Mr. Prisco said, he cannot imagine that getting a topographic survey should be that big a deal to begin with; and secondly, a topo is not that configured that it should delay schematic planning.

Mr. Murray asked Mr. Prisco if he intended to propose an amendment that either the Board or a committee appointed by the Chairman approve the schematic design.

Mr. Prisco moved that the request to waive the schematic design approval by the Board not be granted, and that the schematic planning for the project be subject to the approval by the Board or a committee appointed by the Chairman. The motion was seconded by Mr. Shuman, and it carried unanimously.

The main question before the Board for approval of the Report of the President of Northern Illinois University, as amended, was called for a vote, and the motion carried unanimously.

Sangamon State University - President's Report

Before presenting his Report to the Board, President Spencer took note of the earlier action by the Board in support of completion of the Public Affairs Center. He stated that Mr. Beahringer of the Central Staff, in cooperation with Dr. Goins, has worked very hard with the Capital Development Board and the architects to try and reduce the costs and move this project along. As Mr. Shuman noted, this project seems to be outside of our province, and to a great extent this is true.

The President submitted information reports on:

- Grants and Contracts
- Financial Activities - Not-for-Profit Corporations
- Enrollment Report for Fall Semester 1977
- August Graduates, 1977
- Report of Faculty Receiving More Than 100% Salary

The following items were presented for Board action:

1. Approval was requested to revise the FY79 Operating Budget request by adding \$45,000 to the Income Fund deposits and adding \$45,000 to the appropriations request to cover costs previously paid from local funds which are now to be deposited in the Income Fund.
2. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office. Authorization for a new position - Director, Central Illinois Cultural Affairs Consortium - was included in the transactions.
3. Purchases as appended to the President's Report.
4. Planning and Development
 - (a) Land Acquisition
The following resolution was submitted pertaining to the purchase

of approximately 37 acres of land from the Sangamon State University Foundation:

WHEREAS, the Board of Regents has approved a long-range development plan for the campus of Sangamon State University; and

WHEREAS, the implementation of said plan requires additional land in the north central area of the campus for the extension of the Perimeter Road, construction of a vehicle roadway and two parking lots to serve the Public Affairs Center, and construction of related site improvements; and

WHEREAS, at its meeting on September 26, 1977, the Board of Directors of the Sangamon State University Foundation approved a resolution offering for sale to the University the required land at a cost equal to that which the Foundation initially paid for the land;

THEREFORE BE IT RESOLVED that the Board of Regents of the State of Illinois, acting for and on behalf of Sangamon State University, does hereby authorize the President of Sangamon State University to obtain merchantable title to the following-described property from the Sangamon State University Foundation by warranty deed conveying the property to the Board of Regents for and on behalf of the People of the State of Illinois for consideration in the amount of \$92,500 contingent upon the release of Fiscal Year 1978 Capital Appropriated Funds:

Approximately 37 acres more or less, the property being located in the Northwest Quarter of the Southeast Quarter and the East Half of the Southwest Quarter of Section 23, Township 15 North, Range 5 West of the Third Principal Meridian, situated in the City of Springfield, Sangamon County, Illinois, as specifically described in engineer's survey of said extension of the Perimeter Road.

Mr. Shuman moved for approval of the Report of the President of Sangamon State University. The motion was seconded by Mr. Prisco.

Mr. Winning noted the purchase of central stores supplies as detailed on pages 20 and 21 of the Purchases Appendix of the Report. He understands, he said, that in arriving at the recommended awards the President's staff went through all of the bids and picked the lowest in each instance. He noted, however, that if he were a Board member acting on these purchases he would have a difficult time determining this by the way they are presented in the Report. The format of the Report should indicate that these in fact were the lowest bids received.

Dr. Goins confirmed that these are recommended split awards, but that in each

instance the lowest bid was selected. The President offered to send a memorandum confirming this to the Board, but the Chairman ruled that this would not be necessary if the minutes reflect the information.

The question before the Board was called for a vote, and the motion carried unanimously.

Illinois State University - President's Report

President Watkins, before presenting his Report, introduced a group of students from ISU who are integral in the student governance system.

Copies of background materials were distributed on the proposals for installation of a fairway irrigation system at the University Golf Course, and for replacing the artificial turf and enlarging the playing field at Hancock Field.

Information reports were submitted on:

- Students
- Grants and Contracts
- Not-for-Profit Corporations
- Bond Redemptions - Series 1963 and 1965

The following items were submitted for Board action:

1. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all reported transactions was appended to the President's Report and will be kept on file at the University and in the Central Office.
2. Purchases as appended to the President's Report.
3. Buildings and Grounds
 - (a) University Union Vending Area
Approval was requested for \$40,500 for movable equipment including public seating, hot and cold portable food equipment, refrigeration units, and food-serving equipment for the project.
 - (b) Feeney Food Center
Permission was requested to engage the firm of Middleton and Associates, Architects, of Normal, for architectural and engineering services for renovation and remodeling of food preparation areas, serving areas, and seating areas in Feeney Food Center.
 - (c) Hancock Field Artificial Turf
Permission was requested for the University to prepare construction and bid documents for enlarging of the synthetic playing surface and installation of new artificial turf and pad over the entire surface of Hancock Field. Construction costs including consultants, fees and contingencies are estimated at \$540,000. The project will be

funded from Bond Revenue Series 1970-70A Rehabilitation and Development Reserve for Series 1961A.

- (d) Irrigation System for Illinois State University Golf Course
Permission was requested to design, prepare bid documents, and receive bids for component parts and equipment and to employ labor for an Irrigation System at the ISU Golf Course. Cost of the project is estimated at \$234,270 which will be funded from Series 1970-70A Rehabilitation, and Development Reserves for Series 1961A. Anticipated increases in revenue from the golf course operation will be used for the purpose of helping to defray the cost of the project.

Commenting on his Report, President Watkins emphasized that no tax dollars are involved in the proposals for the artificial turf for Hancock Field and the irrigation system for the Golf Course. He noted that the original Astroturf was installed in 1969. In some areas there has been a failure and a breakdown of the surface. Part of this is underlay, the subpadding, and in areas where most of the play takes place the surface is slick. It is, in fact, worn out and ready to be replaced. The President said they propose to replace it by adding a widening of the field which will enable them to put three intramural touch football or soccer games on the field at the same time, thereby increasing even more the utilization of the field. For night play it will also be possible to run the lights far less than what is currently the case.

The field has tremendously heavy use at the present time, he continued, and is an integral part of the recreation, intramural and classroom teaching programs. Dr. Watkins said he supposed he would be remiss if he did not report that of the 11 athletic installations made in 1969, including ISU, 6 have already been replaced. From available records that they have been able to obtain, it would appear that 9 years is about the best one can hope for. Whether or not the current installation would go any longer, they cannot say, because it does appear that due to the widening of the field, they will be able to make even greater utilization. In FY77 the field was used a total of 3224 hours. The experience they had at West Texas State, he said, where they have a beautiful stadium, the grass field was used for about a total of 70 hours a year. Using the 3224 utilization figure, this would amount to almost 9 hours a day year round, with utilization in the fall and spring being much heavier because it starts around 8:00 a.m. and runs literally until midnight. He referred to the usage by different groups which was detailed in the background material which had been distributed.

The President said that to re-establish the turf or add to the playing field would, according to the best estimates they have, prove to be even more expensive than returfing. It seems to the University that this is a cost effective method, but in all candor, they would have to say that in 10 years or thereabouts they will probably be back with the same kind of a request because the fields do wear out.

President Watkins said the University is suggesting the replacement of the

surface should be bid as a single source item. Some of the previous competitors of Astroturf have gone out of business, and at the current time they are aware of only two companies who produce these surfaces - both relatively new and rather small. Frankly, he said, they just do not have the kinds of test data to show what their products will do. This will be financed from Rehabilitation and Development Reserves, and they do have the money. The President said that Mr. Warren Schmakel was present to answer any questions the Board might have.

Relative to the request for installation of a fairway irrigation system at the University Golf Course, President Watkins noted that the golf course as well as they can make it is a self-sustaining entity. Quite frankly, he said, they depend heavily on public play for financing the course. In terms of greens fees last year 79% of the money collected, or \$71,000, came from public play, most of which takes place in the summer when students are not using the course and it is not being used for teaching purposes. The point is that through the ability to attract public use of the course they are able to offer reduced prices to students who attend ISU. Their problem is that come next spring unless they are able to irrigate the fairways, they will be the only non-irrigated course in the area. He commented that Regent Theobald has played on the area courses and has come back to him with the suggestion that the way things were in the middle of summer, she was going to a local area course rather than play the University course. The University course does have competition and they cannot meet it, and frankly, their ability to keep the course close to a self-financing operation will be jeopardized. They will either have to up the fees charged to students or find another way to subsidize it.

The President took special note of the request for a new position which would provide a one-half time 12-month position of Coordinator of Services for the Handicapped. If approved, this will assist the University in meeting federal demands, but will also address the more important considerations of decency and equity for people who do have difficulty with ingress and egress to buildings.

The President said he would also note that the proposed contract for professional and technical services for a Consultant in Telecommunications Phase IV, if approved by the Regents, is then subject to approval by the State Director of Telecommunications.

Mr. Patterson moved for approval of the President's Report for Illinois State University. The motion was seconded by Ms. Theobald.

Mr. Shuman said it is not clear to him why it is necessary to spend a quarter of a million dollars on irrigating the golf course when we already have an irrigation system. Is this a complete replacement, he asked?

No, the President said, the only irrigation system the course has now is for the greens and tees. What they cannot now irrigate are the fairways, which do dry out and deteriorate. They cannot compete on a favorable basis with area courses.

Mr. Shuman said he believes in competition, but does wonder why we are in the golf course business anyway because it is not really an essential function of a university. They could take the quarter of a million and pay the greens fees for all of the students who use it and make a good profit. If the proposal were for establishment of a course, he would vote No without any question. What is the argument against letting the course continue to be dry, and pay the greens fees at courses that are irrigated? Dr. Watkins said he would have to say that he would prefer not to take money out of Bond Revenue Series for that.

Mr. Shuman asked Dr. Matsler to refresh his memory on how we make this much money out of Bond Revenue money.

These Bond Revenues have grown over a long period of time, Dr. Matsler said, some of them were begun way back in the 1950's, and through the years there has been some accumulation. Now, of course, we are having to live with new guidelines we have prepared with respect to the Auditor General's push to control each of these funds and to keep us - rightfully so - from intermingling the funds. But these funds are appropriate and can be used for the purposes suggested here.

But they did not come from profits from golf, Mr. Shuman said. Did they come from the residence halls?

Dr. Belshe of ISU noted that each student pays a \$9.00 Recreation Fee. They do not come from any profits from the dormitories.

Mr. Shuman said he just wanted that point clarified.

Referring to the proposal for installation of the Astroturf, Mr. Shuman asked if the staff had looked into the new research being done on artificial turf at Purdue University which is resulting in the abandonment of artificial turf at some places.

Mr. Schmakle said the Purdue installation is a good one, but it is used for only one purpose, and that is for 5 or 6 football games a year. You could not take that field and put it at ISU, because it cannot take the wear and tear that the ISU field is subjected to.

What about the injury situation, Mr. Shuman asked? Mr. Schmakle said there was a lot of research done on this. In the professional leagues, some of the prima donnas were upset about the fact that there were additional injuries. The first installations had an acrylic pad, but they have now gone to foam rubber pads and the injury rate has been cut down. Yes, he said, there are still injuries, but the type is not as serious and knee injuries have been reduced.

Mr. Shuman said he understands that neither of these projects is proposed for competitive bidding, and he has a very difficult time with two contracts totaling over three-quarters of a million dollars without competitive bidding. Can't

we write specifications that would protect us and still open these up for bids? Is there only one supplier for Astroturf?

Mr. Schmakle said there is only one supplier of Astroturf, and that is Monsanto. There are two other products on the market, one called Duraturf and the other Superturf. Duraturf has only been in business for about three years and a lot of their work consists of tennis courts. Superturf has only five installations - 4 highschool fields and one college - in the United States. The rest of their installations are out of the country, some in Saudi Arabia.

Mr. Shuman said his question is if the University specified Astroturf in the bid documents, could they get bids on installation?

Monsanto has a subsidiary, Mr. Schmakle said, which has developed a very fine system for installation of Astroturf. Mr. Shuman said he still thinks that we should ask for bids on the installation - maybe there are other companies who could do the work.

Mr. Winning said he had an equal concern about this and had discussed it with the university, to see if they could present some justification for asking for a single source bid; and there is still some doubt in his mind that the justification has been made.

President Watkins noted that the supplemental material which had been distributed does state the University's belief that the project should be bid as a "single source item". He added that they would not have any difficulty, if the Board would approve their proceeding with the project, based on Astroturf, and would be glad to try and get bids and bring them to the Board. If a reputable firm can be found who can demonstrate that they have done a good job on a similar installation, there would be no problem. He added that he doubts that they can find another firm to do this, but they would surely try.

Mr. Shuman asked for a separation of the question before the Board, so that the proposals for replacing the artificial turf and for installation of the fairway irrigation system could be voted on individually, and apart from the balance of the President's Report. The Chair ruled, in the absence of any objection, that this would be done.

Mr. Shuman asked if competitive bids would be taken on installation of the irrigation system. Dr. Watkins replied that this will be done.

Mr. Patterson moved for approval of the proposal to install a fairway irrigation system at the University Golf Course at ISU. The motion was seconded by Mr. Prisco, and it carried, with Mr. Shuman casting a Nay vote.

Mr. Prisco moved for approval of the proposal for replacing the Astroturf and enlarging the playing field at Hancock Field, with the understanding that the University will attempt to get competitive bids on the project. The motion was seconded by Ms. Theobald, and it carried unanimously.

The question before the Board for approval of the balance of the President's Report for ISU was called, and the motion carried unanimously.

Mr. Murray said he had neglected to announce earlier in the meeting that a committee has been appointed for the periodic evaluation of the President of Sangamon State University. The committee will consist of Mr. Patterson as Chairman, Mrs. Suggs, Ms. Theobald, Mr. Murray as an ex officio member, and one other member of the Board to be named by the Chairman at a later date. The evaluation will be conducted at the mutual convenience of the institution and the members of the committee.

The Chairman said he had one unpleasant task, which is particularly significant in view of the discussions at the meeting today - to announce that Regent Guy V. Prisco has submitted his resignation as a member of the Board of Regents due to the press of business and other family obligations. With an understanding of his reasons, but still a reluctance to accept his decision, Mr. Murray said we will indeed miss his service on the Board. Mr. Prisco has displayed a sensitivity to a variety of problems, particularly those within his own professional expertise and a concern for the aesthetics and planning of the campuses. His perception in many affairs of the Board has added a dimension that will be difficult to replace. Mr. Murray said on behalf of the Board he would thank Mr. Prisco very much for his participation and wish him well.

Mr. Prisco extended to everyone in the Regency System his appreciation for being afforded a wonderful experience. As he had indicated earlier to the Board, he feels that he has probably received more out of his experience on the Board than the Board has received from him. However, he said, if it is any consolation, there will now be a layman out in the world who is more cognizant of the problems and more appreciative of the Board's efforts, and he would hope that this would show up in the future.

There being no further business before the Board, the meeting was declared adjourned. The next regularly scheduled meeting of the Board will be held on December 1, 1977 at Illinois State University, Normal, Illinois.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Illinois State University - Normal, Illinois

December 1, 1977

The regularly scheduled meeting of the Board of Regents convened at 10:30 a.m. on December 1, 1977 in the Circus Room of the University Union at Illinois State University, Normal, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order by the Chairman, roll was called, and the following members were present:

Ms. Carol K. Burns	Mrs. Eleanor R. Suggs
Dr. Dan M. Martin	Ms. Kimberly A. Theobald
Mr. James M. Patterson	Ms. Jill Welander
Mr. Richard Resnik	Dr. Harry L. Wellbank
Mr. Charles B. Shuman	Mr. David E. Murray, Chairman

Mr. Michael J. Brady was not present for the meeting.

Also in attendance were:

Mr. Richard J. Nelson, President, Northern Illinois University
Dr. Robert C. Spencer, President, Sangamon State University
Dr. Lloyd I. Watkins, President, Illinois State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

Others present for the meeting included staff members from the Universities and the Central Office; Mr. James M. Winning, Legal Counsel to the Board; members of the Joint University Advisory Committee; and representatives of the news media.

The minutes of the meeting held on October 27, 1977 had been distributed prior to the meeting, and the Chairman asked if there were any additions or corrections to be proposed. There being none, on motion by Mr. Shuman, seconded by Mr. Patterson, the minutes were approved as submitted.

CHAIRMAN'S ITEMS

The Chairman recognized the Executive Director who presented a Resolution for consideration by the Board:

WHEREAS, Mr. Guy V. Prisco served on the Board of Regents from 1974 to 1977; and

WHEREAS, Mr. Prisco demonstrated a sincere and deep interest in the Regency Universities and their students during his tenure as a Board member; and

WHEREAS, Mr. Prisco through his energy, diligence, and counsel has contributed so much to the welfare of the Regency Universities System; now, therefore, be it

RESOLVED that the Board of Regents express its most sincere thanks and appreciation for all that Mr. Prisco has done for the universities during the past three years.

Mr. Shuman moved for adoption of the Resolution. The motion was seconded by Mr. Patterson, and it carried unanimously. The Chairman directed that a copy of the Resolution be suitably inscribed and delivered to Mr. Prisco.

Election of Assistant Secretary-Treasurer

Dr. Matsler noted that since the resignation of Mr. Carl E. Greeson from the Central Staff, there has been a vacancy in the office of Assistant Secretary-Treasurer.

The Chairman called for nominations for the office of Assistant Secretary-Treasurer. Mr. Patterson placed in nomination the name of Mr. Richard G. Lim and moved that the nominations be closed. The motion was seconded by Mr. Shuman, and Mr. Lim was unanimously elected Assistant Secretary-Treasurer.

Mr. Murray reported that on Wednesday, November 30, a Board committee chaired by Mr. Patterson conducted discussions on the evaluation of the office of the President of Sangamon State University; and the committee had a long and interesting day talking with a variety of people on the SSU campus. The Committee has offered to allow written presentations to be submitted, and these will be coming in over the next thirty days. The Committee will report on this at the February meeting, he added.

REPORTS TO THE BOARD

Board of Higher Education

Of most interest to the Regents, Dr. Matsler advised, is the fact that the Board of Higher Education will at its December meeting be considering new and improved program requests. In January the BHE will deliberate on the budget requests. Dr. Matsler said as of this time, the Staff does not have staff recommendations from the BHE on the budget requests, but has received the recommendations on the programs. He added that he would be discussing with Dr. Martin, Dr. Groves and the Presidents what they wish to do at the December meeting of the BHE relative to the staff recommendations on the new and improved programs.

Joint University Advisory Committee

Mr. Koltun, Chairperson, advised that the Committee met earlier in the day and considered the proposal by Legal Counsel for an amendment to the Governing Policy, as contained in the Executive Director's Report. The Committee does have some questions about the implications of the proposal and feels that

it may raise as many questions as might be solved. The Committee would like to have a longer period for discussion of the proposal, Mr. Koltun said, adding that it is certainly an issue that the campus communities will want to consider and perhaps bring something to the Board at the February meeting.

JUAC also considered the proposed Calendar of Meetings as contained in the Executive Director's Report, Mr. Koltun reported. Some members of the Committee expressed some concern that the extended period of time between the December and February meetings might create some problems for operating staff on the campuses. The Committee suggests that some alternative to this long period of time between meetings might be appropriate.

Dr. Matsler noted that he had been requested to respond as to the need for a meeting of the Board in either March or April of 1978, and he asked if the Chairman wished to take up this matter now. Mr. Murray suggested that this be taken up along with the Executive Director's Report. Dr. Matsler said that Mr. Koltun might wish to add some further remarks at that time.

EXECUTIVE DIRECTOR'S REPORT NO. 93

Before presenting his Report, Dr. Matsler noted that later this month and in January the search would be commenced for a replacement for Mr. Keating as Deputy Director of the Central Office. Affirmative action guidelines will be followed in the search procedure, he said, and the process will be the same as for all major appointments. He would welcome any suggestions from the university communities, as well as the Board itself, as the search begins. Dr. Matsler said he would again say that it is with great reluctance that he sees Mr. Keating leave the Staff.

Section I - Status Report - Board of Regents Fund

This fund, Dr. Matsler reported, was begun in 1972 in memory of Mr. Guy Cornwell, a charter member of the Board of Regents. Since its inception the fund has not grown much, having received \$2280 in contributions. The current balance including interest is \$2938.47. \$2500 of the total is invested in a four-year Certificate of Deposit maturing in December 1978, and the remainder is on deposit in a regular savings account. Perhaps next year when the Certificate of Deposit matures Staff might wish to ask the Board for direction as to the use of the fund.

Mr. Murray asked if there was any specific purpose discussed at the time the Fund was established. It was not definitely stated, Dr. Matsler responded, but was understood that some type of scholarship fund might be established.

Section II - Staff Evaluation of University Library Reports

This section of the Report was prepared by Dr. Carol Floyd of the Central Staff, Dr. Matsler advised, and it will be of particular interest to the Board as well as persons on the university campuses. Dr. Matsler said he would suggest also

that Staff will probably expand the report some next year to look into the use of the library facilities themselves, and also try to get at a better report on circulation and utilization of books.

Dr. Floyd said she wished to thank the Library Directors on the three campuses for assistance provided in preparation of the report. She noted that there has not been a major amount of attention paid to cooperative activities among the libraries, because there have not been any major developments in this regard since the special Staff report was presented to the Board in July.

With regard to space conditions at the libraries, Dr. Floyd said, the problems that existed a few years ago have largely been rectified with the opening of the new libraries on the campuses. Relative to staffing, she said that certain comparative information has been provided this year - as it was last year - with regard to all of the public institutions in the State of Illinois, but also with groups of institutions outside the State - in one instance with a group fairly similar in scope and function to ISU and NIU, and with another set of upper-division graduate institutions similar to SSU.

Dr. Floyd directed the Board's attention to Table 5 in the report - Staff, Book Volume, and Expenditure Data, Fall 1976. In the staffing data measure is given of the number of students that have to be served per library staff member. The more students that have to be served per staff member is shown by the larger numbers under the second column, she noted, and the larger the figure, the more thinly spread the staff.

Turning to the question of acquisition of collection materials, Dr. Floyd noted that acquisition continues to be the budgetary component most affected by the tight budgetary circumstances. Due to inflationary increases in the cost of books, and periodicals particularly, libraries are having some difficulty keeping their collections up to date and current and thus providing high quality service to the users. Information on acquisitions in the most recent years is contained in the same table to which she had previously drawn attention.

The figures contained in the third column of Table 5 represent the number of volumes added in the most recent years for which information is available, Dr. Floyd continued, and perhaps would be of the most interest to the Board. It is important to keep our eyes on what the recent acquisition rate is to get a better feel of what the effects have been of recent relatively low acquisitions budgets. In contrast, she said, the BHE in its recent study of library resources, did not look at recent rates of acquisition, but simply looked at the total size of collections. Dr. Floyd said she believes that the current acquisition rates should be of crucial concern, and she would hope that in the BHE's continuing study of library sources they would pay a bit more attention to this.

In the area of utilization of collection materials, Dr. Floyd said that the Library Directors are increasingly showing interest in trying to measure in-building use of materials. The circulation statistics that we most frequently see are those for materials which are charged out for use outside the library. It must be recog-

nized, however, that there is quite a bit of in-house use of library materials, and the librarians are going to be measuring this in the coming year to give us a rough idea of what this in-building use is. Staff intends to work with the librarians toward development of some adequate measure of utilization.

With regard to automation, there are a number of very tough questions in this area which will have to be faced, particularly with regard to the desirability of the development of automated circulation systems and bibliographic data bases. These questions are complex and will continue to be discussed by the Directors in the Regency System, Dr. Floyd said. The questions must, however, ultimately be dealt with in a statewide context, and it is hoped that the Board of Higher Education will engage in a more thorough discussion of this than has been done to date.

Dr. Floyd concluded her report with an offer to respond to any specific questions the Board might have.

Dr. Matsler noted that each of the Regents had received the annual reports from the institutions, and much of the information Dr. Floyd incorporated into her evaluation was taken from them.

Mr. Murray thanked Dr. Floyd for an excellent report, and commented that the lack of questions from the Board certainly attests to the thoroughness of the report.

Section III - Amendment to Board Regulations: Not-for-Profit Corporations

Dr. Matsler recalled that at the last meeting the Board discussed briefly the image of the foundations with respect to whether or not they are controlled by the governing boards. His feeling is, he said, that we do not even want to be accused of controlling the foundations, and Staff has proposed some amendments to Board Regulations to insure that we do not request foundations to provide information to the Board when we have no authority to do so. In essence, he said, the proposed changes will simply remove our request for information from the foundations. He noted that this is the first reading of the proposed amendments.

Even with all of this, Mr. Patterson asked, will we still be free from the accusation that the foundations are created for the purpose of doing something that the legislature does not want us to do?

Dr. Matsler said he does not believe that we are having any problems with the legislature as much as with certain people in governmental agencies. We must continue to assure ourselves, he added, that the foundations are indeed independent.

Will the proposed amendments accomplish this, Mr. Patterson asked? Not completely, Dr. Matsler said, and there should be some examination of the use of personnel and space that perhaps are not paid for properly.

Mr. Shuman asked if Dr. Matsler had been in communication with the office of the Auditor General. Through his report last year, Dr. Matsler said, the Auditor General has indicated that it is his feeling that the foundations are corporate outgrowths. The term "outgrowth" has not been too well defined, he added, even by attorneys. There are still questions to be debated on this.

Mr. Shuman said he believes if the Auditor General is critical, he also has the responsibility to point out what changes could be made to remove his criticism. Mr. Murray said that is also his reaction, although he does not think the Auditor General has favored us with that kind of treatment. Mr. Shuman said he thinks we should almost demand this.

Mr. Winning pointed out that there is also an Opinion from the Attorney General on this subject, and actually the proposed amendment is more directed to this than to the Auditor General - although the Opinion was requested by the Auditor General. In substance, Mr. Winning said, the Opinion states that in view of the fact that certain members of the Board of Directors of the foundation must be officers, employees or members of the board of trustees of the university, and that of the other directors of the foundation, two-thirds must be alumni of the university, and the further fact that the business manager of the university is treasurer of the foundation, it would seem that the foundation, the purpose of which is to receive, hold and administer gifts for the university, is no more than a corporate outgrowth of the university. This is a summary of the Attorney General's conclusion, Mr. Winning said, but the conclusion refers to the use of board members and university officers on the board, the use of university employees or functions for the foundation, etc. In response to Regent Patterson's question, Mr. Winning said, the amendment may not accomplish the goal, but it seems to him that this is as far as the Board of Regents' jurisdiction can go. The foundations themselves may have to address the question.

That is exactly what he was getting to, Mr. Patterson said, and while we are at it, we may just as well see to it that the problem is handled. We do not and should not have any control over the foundations, Mr. Winning said. But we can tell them what the problem is, Mr. Patterson said, even though we have no control over them.

This might be splitting hairs, Mr. Murray said, but the language in the proposed amendment states that all proposals for new corporations may be submitted to the Board, and that is clearly addressed to the corporation that is forming, and we are saying, "Wonderful, you may form, and you may submit the proposal to the Board." Why not just delete all of this, Mr. Murray asked?

Dr. Matsler said this is not intended as a directive to the corporations. It is simply an indication that the Board is interested in the information because of our relationship with the foundations.

Mr. Murray noted that in Topic 3 of the proposed amendment, it is stated that annual information reports should be submitted by each such corporation to the Board. Clearly, he said, this directs them to do so. The word "shall"

was used prior to this, Dr. Matsler said, and this seems more appropriate to indicate what ought to happen. The Board is interested in their activities, he noted, although it has no control over them.

Dr. Wellbank questioned why we should have the regulation, suggesting that it might be better to have nothing at all.

Mr. Murray said the amendment proceeds to state that the President and the Executive Director will be responsible for advising the Board what the corporations are doing. If we are really trying to accomplish what Dr. Matsler suggested, he said he sees no reason to refer to any of this. Mr. Patterson agreed, stating that it seems to him that we would be working against ourselves.

This is just a first reading, Dr. Matsler noted, and Staff will continue to work on it, taking into consideration the comments made today, and also seeking assistance from Mr. Winning.

Mr. Murray asked to whom the language in Topic 4 is directed, where it is stated that in the case of contributions which involve a significant commitment of university resources for the operation, maintenance, and/or administration of the contribution, a written proposal shall be submitted to the Board for approval prior to acceptance?

This must be done, Dr. Matsler said, by someone - probably the Presidents. But it is very important that prior to the receipt of any gift which would commit university resources, the Board must know of it. Mr. Murray said he sees what Staff is trying to accomplish, but thinks that we are getting into the same trap if we tell the foundations that before they accept anything we are interested in they must get approval from the Board.

Mr. Winning suggested that a better frame for this might be to state that any contribution received by the foundation will not involve any commitment of the Board unless the Board consents to it. Dr. Martin agreed, stating that if anyone wants to give money to the foundation with the thought in mind that it will commit the Board or the legislature, then that is their problem. Individuals would then have to ask the Board if it would accept the gift on those particular terms, Mr. Murray said. If we really want to be independent, that is what we had better do.

Section IV - Board Regulations Amendments: Reporting of Purchases and Construction

Dr. Matsler presented for first reading proposed amendments to the Board Regulations which, in summary, are concerned with: (1) the way the Buildings and Grounds section is reported in the President's Report; (2) increasing the minimum amount of purchases prior to approval from \$5,000 to \$10,000 for regular purchases, and the minimum dollar amount above which construction project approval is required to \$25,000; (3) subjecting the purchase of vehicles to the same requirements as other purchases; and (4) setting forth the unique circumstances under

which contracts with visiting performers would not require prior Board approval, but would require that expenditures be reported to the Board following the performance.

Dr. Matsler said the amendments would remove the requirement that the Presidents list in their reports vehicles purchased if the purchase price was less than \$10,000. In other words, if there were a group of vehicles purchased as a fleet and the total price was in excess of \$10,000, that must be reported; but individual purchases put out to bid in accordance with the Purchasing Act would not need to be reported if the amount were under \$10,000. The fourth proposal is an attempt to get around the problem such as was encountered last month at NIU, Dr. Matsler said, and relates to performers who are contracted for at a late date. This is an attempt to assure that there will be procedures - reasonable ones - but still give the university some flexibility in contracting for such performers.

Dr. Matsler noted that the changes regarding reporting of "Buildings and Grounds" have been discussed with the University staffs, and everyone is in agreement.

Personally, Mr. Murray said, he likes the idea of knowing what is going on, and he remembers the experience the Board had with the students circumventing the \$5000 figure before. He would not say that we would be encouraging this, but if it isn't troublesome, he would prefer to have the smaller amounts reported. The Board would then have a better idea of what is going on.

Mr. Patterson said he thought the proposal was simply recognizing inflation, and he has the feeling that the information required would still bring the same items to the Board's attention. He has no objection to the proposed changes, he said, because we have to adjust things once in a while. This is, in fact, the rationale behind the proposed changes, Dr. Matsler said.

Mr. Beahringer said he could perhaps clarify one thing by advising that the \$25,000 is not a contract limit, but rather a project limit. If a project exceeds \$25,000 it must come to the Board. Also, all bid results have to be reported to the Board on any project over \$25,000, regardless of dollar amount.

How much work is involved in the present reporting, Mr. Murray asked. It is not just the reporting, Mr. Beahringer said. On small contracts it is easier for the university to award them and get the work done instead of having to wait for another Board meeting. As pointed out in the report, he said, you can't do much these days for \$25,000.

Mr. Murray said he gathers from the third proposal that the purchase of vehicles would have to exceed \$10,000 in order to be reported to the Board. That is correct, Dr. Matsler said, adding that this regulation was inherited from the old Teachers College Board. He said he does not think it is all that important to include them in the Presidents' Reports, because they must follow the Purchasing Act, and there are audits of all these transactions.

Mr. Murray said he really does not want to cause the universities a lot of problems, but personally he likes the reporting aspect. Would it be reasonable to ask that these be reported, he inquired? Dr. Matsler said perhaps the Vice Presidents might wish to speak to this, but he thought it would be no more difficult to report these purchases after the fact, and it would probably be easier for the universities to go ahead and put them out to bid, make the purchases without prior authorization, and then report to the Board. The amendment, however, would remove the reporting and asking for permission completely.

Mr. Shuman agreed that reporting to the Board is a good idea. If we take out everything under \$10,000, a lot of the items would be removed, Mr. Murray noted. Mr. Shuman said he would go along with removing the requirement for prior approval, but would be inclined to ask that the Board be furnished with a report of the purchases.

President Nelson asked if the reporting would be limited to those items between \$5000 and \$10,000. We don't report those under \$5000 now, he noted, and if the limit is raised to \$10,000, there should be a limit on those items required to be reported, he thought.

Dr. Matsler said for most purchases the Board is not interested in things under \$10,000 other than vehicles which do have a special interest historically.

Section V - Publications Study

Dr. Matsler advised that this study, done at the direction of the Board, was conducted by Mr. Hopey Freeman, System Auditor, and he would ask him to present it in brief form. Dr. Matsler said he thought the study to be an excellent one which gives some insight into publications on the campuses which most of us did not have before. He noted that Mr. Freeman had displayed for the Board a sampling of the publications.

Mr. Freeman first thanked Dr. Beasley, Mr. Godfrey and Dr. Moulton for the assistance they had given to him in securing information from the campuses for the study.

The study, he said, would provide the Board with a flavor of the publications effort at the universities and the level of resources committed. A lot of attention was paid to developing a working definition of publications. With regard to source of funding, he said, all sources were included although the publications represent for the most part expenditures from appropriated funds. A couple of classification systems are presented, Mr. Freeman continued. While the first - a processing oriented one - is useful for day-to-day management, the second - activity-oriented - is needed for budgetary decision-making.

Mr. Freeman said he had attempted to emphasize the control aspect for all three universities, and here he was mainly looking at the consistency of information provided in the publications and at least some kind of assessment of possible alternative uses of resources. From the standpoint of budgeting - in other

words, the allocation process itself - not much detail was given, but during the course of the study he had developed a plan for how it might best be accomplished. He noted that in the inventory displayed he had included a catalog of the Northern Illinois University Press, and would comment briefly about this. There was no particular reason, he said, other than providing a flavor, for using any of the publications displayed. He had just wanted to exemplify the types and categories considered in the study.

Mr. Freeman said his report does contain some specific recommendations with regard to the study. It is clear that the publications managers at the various universities have been sharing information, but he believes that formalized meetings would help a lot. All had expressed satisfaction that a few of the things they had come up with have already been employed.

The importance of the Library Act compliance is obvious, Mr. Freeman said, but more importantly, a good strong definition of "publications" might result from a meeting with State Library officials.

Mr. Shuman said he believed the publications on display are just a sampling and not anywhere near all of them. That is true, Mr. Freeman said. Mr. Shuman said he noted on page 42 of the report it is stated that at least \$400,000 is spent by Regency Universities on printing "publications", and in many instances personal services costs directly associated with a publication exceed the cost of its printing. That would be a reasonable assumption, Mr. Shuman said. The report goes on to say that over \$1.5 million will be spent on printing and duplicating. It seems to him that this is a large enough item that it merits considerable attention, and he is a little less than sure that there is a periodic evaluation by the universities as to the merits of any particular publication. Does Mr. Freeman have any feel for this, he asked, or do they just get something started and it just goes on forever?

With the serial publications, Mr. Freeman said, he did not detect that there was this periodic review. He had tried to underscore the control aspect - maybe the editing and the gross savings available. When he recommended that a further study be made, that was in search of a proper allocation type review. He did not feel that that was strong at any particular university, Mr. Freeman said.

Mr. Shuman said he would hate to single out any certain publication, but there is no other way to really get at it. He called attention to a monthly publication of Sangamon State's public affairs radio station. This book is replete with photographs, he noted, and while it is very interesting, it is quite a contrast to the program bulletin issued by ISU, for instance. Northern has one that is almost as expensive, he noted. Mr. Shuman said he would doubt that there are as many listeners to any one of the three stations as they spend in dollars to put out the programs.

In this regard, Mr. Freeman said he thought it important to point out that Northern and Sangamon State are supported by the Corporation for Public Broadcasting, while ISU is not. Part of the incentive type of grant given over and above a base grant is directed at creating a public awareness of the station itself.

In other words, Mr. Shuman said, if we are wasting money, it is because the federal government wants us to.

Mr. Shuman then referred to the Illinois State University Quarterly. This is a literary publication, he noted, and he has read it from time to time and found some good articles. He notices from Mr. Freeman's report that this is a fairly expensive publication with a large circulation; and it is also mentioned that there are very few research articles, or whatever, by members of the staff at ISU. Mr. Shuman said he happens to know that this kind of publication is like the old threshing ring - it's a "change-work deal". It is related to the "publish or perish" idea that exists in university circles; and if ISU puts out a quarterly, they will fill it with presumably scholarly articles by professors in other universities who can then list that in their references and resumes. In turn, our professors' articles are published by Kent State or Indiana University, or some other place. It is a "change-work" deal, he is pretty sure. Is this sort of thing evaluated by the university as to whether or not it should be continued, Mr. Shuman asked. Mr. Freeman said he would defer to officials of the universities for an answer to the question. Mr. Shuman said he was asking for Mr. Freeman's opinion, and would withdraw the question. He said he believes that the Board ought to have a report from the universities themselves on the justification for some of these expensive publications. He cited the one at SSU published in conjunction with Governors State - it is a very expensive publication, he said, the purpose of which is apparently to try and encourage professors at community colleges to recommend that their students go to GSU and SSU. Mr. Shuman said he took the trouble to read a few of the articles, one of which was an article on collective bargaining in the Summer 1977 issue. We have had a lot of study of collective bargaining on this Board, he said, and he found the article to be very biased, not objective at all. Our publications should be objective, he believes. He cited another on instructional development at Illinois State, and while this is probably an excellent study, he said, he would like to see some justification for spending that kind of money for its publication. Something like this could be mimeographed and given to persons who are interested.

Mr. Murray noted that on page 42 of the report, Mr. Freeman had recommended that the universities conduct a comprehensive study of publications for FY78. Would Mr. Shuman care to put this into the form of a motion, he asked?

Mr. Shuman moved that the recommendation be implemented by requesting the Universities to conduct their own evaluation of all publications, and that Northern Illinois University be particularly requested to evaluate the Northern Illinois University Press. He added that he thinks this is one that needs a real study. Mr. Patterson noted the statement in the report on page 36, that of the 18 books under contract to be published in the near future by the University Press, only 2 appear to be related to the University or its staff. To what are they related, he asked? President Nelson said they are related to scholarly research, bibliographies of leading literary figures, and things of this nature. Would not that be related to the University, Mr. Patterson asked - noting that the report states that they are not. President Nelson said he believes the statement in the report to be somewhat of an overstatement. But if the statement is correct,

Mr. Patterson said, he does not see why we are doing this.

Mr. Murray said he believes the intent of Mr. Shuman's motion was to allow the universities to justify the expenditures for these publications.

Mr. Shuman said his motion would ask for an evaluation of the publications and the Northern Illinois University Press in particular. Mr. Patterson seconded the motion.

Ms. Welander asked if the evaluation would include those publications that have subscriptions as well as the ones for which there is no charge.

Mr. Shuman said he realizes that some do have subscription income, but he believes they would also have to be included in the evaluation because none come anywhere near to meeting the deficit from subscriptions. For instance, he said, Illinois Issues is a very expensive publication, subsidized in part by Sangamon State and in part by the University of Illinois as well as other sources, including subscriptions, but we are still spending a lot of money on it.

Mr. Murray said as he understands the motion, it is directed at all publications, and they need not be given the same weight in the report.

Dr. Matsler said he would suggest that the universities will have a little problem determining what is expensive and what is not. It will also be found, he said, that should we mimeograph some of these documents as opposed to printing them, not much money would be saved. This can be seen by looking at the costs of the publications now, he said. The universities will have some difficulty trying to answer the question, he said, because it is not clear exactly what the question is. Will they have to go down the list and submit a few sentences saying that a certain publication should be continued? Is that what the Board wishes?

Mr. Shuman said it is his belief that from time to time for anything that involves the amount of staff time required (and he would suspect that the staff time involved in the Illinois State Quarterly, for example, is far more than the printing costs), it would be worthwhile for the university to have someone in the administration assigned the responsibility of following through on an evaluation of the effectiveness and necessity for these publications, including staff time as well as printing costs in the evaluation. Mr. Shuman emphasized that he is not asking for just a lot of statistics, but a report as to the evaluation of the impact -- why it is necessary, why do we have to have a University Press. That is the big item, he said. Why do we have to have this when we are not using it anymore than we are?

Mr. Wellbank asked if the motion could be amended to ask the universities to suggest to the Board how they could evaluate these things.

That was implied as part of his motion, Mr. Shuman said, and he thinks the universities should, in cooperation with the Board Staff, develop the procedures for the evaluation. He added that he is not asking for this by next month. He said he would include in his motion the provision that the evaluation procedures

be developed by the universities in cooperation with the Central Staff of the Board. Mr. Patterson agreed to the addition to the original motion.

President Spencer said he thinks it would be good if we look at the publications which the universities do and had a policy discussion as to those things we like to take pride in, what are we proud of in our universities and what publications might be called worthy, so that we have an appropriate setting for what we are thinking about, rather than looking solely at the cost problem or something like that. Universities project themselves in many, many ways, and one of these is through publications. They establish and maintain reputations in this way, both with students and with other scholars. He would like to see university pride as a topic for discussion. President Spencer said he realizes that there may be abuses in this, but at the same time there is a lot of which we can be proud.

Mr. Murray said he would hope that the requested evaluation would show this. It would seem to him, he said, that within the context of the motion the universities will have quite a bit of flexibility to comment as extensively as they wish on this question.

The motion before the Board was restated: that the recommendation in the report be implemented by requesting the universities to conduct their own evaluation of all publications; that Northern Illinois University be requested to evaluate the Northern Illinois University Press; and that the evaluation procedures be developed by the universities in cooperation with the Central Staff of the Board of Regents.

Mr. Patterson said he thought it would be desirable if the universities also look into the possibility of some of these publications becoming self-liquidating or self-supporting, and perhaps even generating funds to carry some of the housekeeping type of publications.

Mr. Murray said he had not heard any mention in the motion about the cost of staff time for these publications, but perhaps that was implied. Mr. Shuman said he had intended his motion to convey the meaning that the cost of staff time involved, in addition to printing costs, would be included in the evaluations.

President Watkins said part of the traditional task of the university involves public service and dissemination of information, as well as the teaching and research aspects. Traditionally, he said, most of us, including the Board, have accepted the idea that the university has teaching, research and public information functions. The thrust of many of the publications issued by institutions will be measured by the fact that they do work in terms of projects that do have an applicability to other institutions, and they want other institutions to have access to what they have done. President Watkins said he would offer one other comment - he is not sure exactly what the Board means when it says "all publications". The term "publication" is so broad. He said he believes that he understands, but he also wonders if this is meant to include

internal documents, the publication of materials that are sent to the Board, e.g., the library reports that were sent to the Board this month. Does the Board want to limit this somewhere? If the Board is talking about all publications, he would simply submit that it will cost a great deal more in the long run to make that evaluation because it will tie up people for a long while, and the Board might get a great deal more than it would care to go through.

Would would the President suggest, Mr. Murray asked?

President Watkins said he would suggest restricting this to items which are sent externally, but excluding such items as catalogues, class schedules, items which are sent to the Board which they must provide. He would think that the Board might wish to find some way to categorize things and keep this in the realm of publications which describe activities in the departments, publications such as the Quarterly, programming schedules, and things of that nature.

Mr. Shuman said he thought his motion was broad enough so that the universities and the Staff can work out what publications should be included.

Dr. Matsler said he believes that we already have some guidelines, with the samples provided by Mr. Freeman. It is true, he said, as stated by President Watkins, that we could go into more depth than what the Board would even want. However, he said, he believes that they would be able to identify those publications in which the Board would be interested.

The question before the Board was called, and the motion carried unanimously.

Section VI - Report Schedule for Calendar Year 1978

Dr. Matsler submitted the annual report schedule which had been prepared to assist the staffs of the universities and the Central Office in coordinating the various intra-system reports which are to be prepared in calendar year 1978.

Section VII - 1978 Board Meeting Calendar

Dr. Matsler submitted for consideration by the Board the following proposed calendar of meetings for 1978. He pointed out that the calendar for January through June had previously been adopted, and this merely repeats those dates so that the calendar for the entire year could be restated:

January 1978	Subject to call
February 16, 1978	Sangamon State University
March 16, 1978	Northern Illinois University
April 20, 1978	Springfield
May 18, 1978	Illinois State University
June 15, 1978	Sangamon State University
July 27, 1978	Northern Illinois University

August 1978	Subject to call
September 21, 1978	Illinois State University
October 26, 1978	Sangamon State University
November 1978	Subject to call
December 7, 1978	Northern Illinois University

Dr. Matsler said one of the biggest problems with omitting a meeting in any given month is the number of transactions which occur on the campuses. It must be remembered, he said, that the System is a \$100 million public enterprise which requires Board approval of certain purchase and personnel transactions. Mr. Koltun had earlier suggested that there might be a problem with not having a meeting scheduled for January, Dr. Matsler said; and he would answer that by saying that he believes that we will be able to handle this with a telephone poll - if we can minimize the transactions. However, he is always a little uneasy about this method of securing preliminary approval from the Board, particularly if there are contracts that need approval.

With reference to the March and April meetings, Dr. Matsler said he had distributed to the Board a brochure from the Association of Governing Boards, because the Chairman had asked that he discuss this with the Regents. Perhaps, he suggested, Regents would be interested in participating in a seminar with AGB, say, in conjunction with the April meeting, wherein a board member from another state would meet with the Board of Regents and staff from Washington, D. C. During a four or five hour period, perhaps the day before the regular Board meeting, they could discuss some of the current issues that higher education is facing today. Some of the topics of interest are Fund Raising, Academic Tenure, Resource Management, Developing and Understanding Budgets, Collective Bargaining, Institutional Planning, Legal Issues, and Affirmative Action. Would the Board be interested in such a seminar in April, Dr. Matsler asked, or perhaps there might be other times that would be appropriate.

Mr. Shuman said he thinks the suggestion is a good one, but he wonders if this could not be done in May and eliminate the April Board meeting.

Dr. Matsler said he had not meant to imply that this was the reason for having an April meeting. He would ask first if the Board is interested in participating in such a seminar in any month. Mr. Shuman said he thinks that would be good. Dr. Martin agreed, adding that it would be a valuable experience for the Board and give it a different perspective. Mr. Murray said he believes in evaluating everyone, so he would suppose that would include the Board itself.

If the Board is to participate in this, Dr. Matsler said, it could be asked to complete a form relative to a self-evaluation which has been further developed from one which some members filled out earlier - how well individuals feel that they are doing as a board. This would then be used as one of the tools by which the Board evaluates itself. If the Board wishes to do this, he would proceed with the planning, Dr. Matsler said.

Dr. Matsler said he had been asked to re-examine the need for the March or April meetings. If the Board would look at the Presidents' Reports for this month, and also remember back to other months, they would see hundreds of transactions. He said he feels it important that these actions by the Board be promulgated as public transactions. He feels very uneasy, he added, those times when he must call members and advise them that Staff has reviewed the transactions and feels they are all right. This Board does not have an executive committee, he noted, and he is not pushing for one; but if we do not have such a committee, then the Board must have public meetings with the possible exception of one or two months during the year. He said he fears that the Board will be in trouble one of these months when an emergency comes up which requires action by the Board. He noted that these emergencies seem to occur almost every month.

Mr. Shuman said he recognizes all Dr. Matsler has said, and would not for one minute suggest that all of the Board meetings should not be public. However, he said, with the amount of business carried on by this Board, if they met every other month, six times a year, the universities would know this and could channel their transactions and their problems. Mr. Shuman said he does not think a meeting every month from February through July is necessary, and one of these could be made subject to call just as is done three other times throughout the year. We have the meetings down to 9 a year, he noted, and it probably would not have been too bad if today's had not been held.

Mr. Shuman then moved for approval of the proposed calendar of meetings, including approval of scheduling a conference with AGB staff as proposed, but deleting the April meeting or designating it as being subject to call.

Mr. Patterson asked if it would help anyone if, instead of having such a long period between the December and February meetings, we could arrange the meetings so that there would be perhaps only six weeks between meetings.

That is one of the problems, Dr. Matsler said. The Board would remember when the Staff presented the calendar six months ago it was asked to delete the December meeting or the January meeting. Staff tried to work this out as best they could, but we are now on an uneven schedule. It used to be that we had a regular schedule and met on the third Thursday of every month, with an exception now and then. That schedule fits in with the BHE meetings as well as others with which we must contend. To just juggle our meetings makes this more difficult. Dr. Matsler noted that January, as pointed out by Mr. Koltun earlier, may be a bad month, although the meeting is subject to call and can be scheduled if necessary.

Mr. Patterson seconded the motion before the Board.

Ms. Welander said she would note that for the 1977-78 school year there is just one board meeting scheduled to be held on the Sangamon campus; and if the Board intends to stay on the 9 month schedule, she would suggest that it schedule one meeting each semester on each campus during the school year.

Dr. Martin said inasmuch as the Board has already approved the schedule of meetings through June 1978, he would move to table the motion before the Board to permit discussion with Staff as to whether we are going to continue to try to improve our public relations by planning other Board meetings outside the standard routine we have had. He said he thought the first experiment was successful, and he noted that the proposed calendar does not seem to anticipate any such off-campus meetings.

Dr. Matsler said the April meeting is proposed for Springfield, and this would not be held on campus. Staff has discussed the possibility of perhaps holding the meeting in the State House or some other place other than on the SSU campus.

Dr. Martin said while he is pleased with the plans for the April meeting he would still stand by his motion because he would like to discuss with Staff whether any other other times and places for off-campus meetings are being considered. He said he questions whether it is necessary to adopt the calendar for the last six months of the year at this time.

Miss Theobald seconded the motion to table. The motion was called for a vote and the motion was defeated, with Dr. Martin casting an affirmative vote.

Mr. Shuman then proposed a substitute motion for his original motion, to direct Staff to develop a schedule of eight Board meetings for the year beginning July 1, 1978. The motion was seconded by Mr. Patterson.

Ms. Theobald suggested that perhaps the Staff should be asked to look into this and return to the Board with more information on the matter.

With all deference to Mr. Shuman, President Spencer said he would caution against relying increasingly on written materials about the campuses and what they are doing. If the Board could add increased visitations when they are on the campuses so that there is more exposure, then 8 meetings would be sufficient. But, he added, we are relying more and more on what we are told takes place on campuses through written documents, and he believes that first hand experience is very important for the Board.

Dr. Martin said sitting in this meeting room does not give the Board any exposure on campus. If the routine which this Board has followed all along fits President Spencer's definition of contact with the campus, then he must disagree, Dr. Martin said, and he would intend to vote against the motion. This would just hold us to the same old routine.

The question before the Board was called, and the motion was defeated, with Mr. Patterson and Mr. Shuman voting Aye; and Ms. Burns, Dr. Martin, Mrs. Suggs, Dr. Wellbank and Mr. Murray voting Nay. Student Regents Resnik, Theobald and Welander registered Nay votes.

For clarification, Dr. Martin asked if the Board now has no schedule of meetings approved after June of 1978. That is correct, the Chairman stated.

Mr. Patterson then moved that the Board approve the schedule of meetings for 1978 as submitted by Staff. The motion was seconded by Ms. Burns.

Mr. Murray said he had heard it mentioned that the time between the December and February meetings is too long, but he had heard nothing specific about this being a hardship. Dr. Matsler said the January meeting is subject to call and it would be called if it becomes necessary.

The question before the Board was called, and the motion carried with Dr. Martin voting Nay.

Section VIII - Waiver of Approval Requirement: Tuition and Fees

Dr. Matsler explained that Board Regulations require that changes in tuition and other registration fees must be brought to the Board no later than 8 months prior to the date on which such fees are to become effective. Staff feels that tuition rates for 1978-79 should not be established this month, but that such action should be postponed until February 1978 at which time the BHE recommendations for FY79 operating appropriations will be known. Since there will also be university requests to defer the establishment of certain 1978-79 fees until early next year, Staff recommends that the requirement for setting 1978-79 tuition and other fees in December be waived, and that recommendations for such fees be brought to the Board early in 1978. Dr. Matsler noted, however, that some special requests for fees would be brought before the Board today in the Presidents' Reports.

Mr. Shuman moved for approval of the Staff recommendation. The motion was seconded by Dr. Martin, and it carried unanimously.

Section IX - New Programs

Dr. Matsler advised that members of the Board had been furnished with the detailed proposals for new programs:

1. Revision of Sequences within the Baccalaureate Program in Applied Computer Science -- Illinois State University
2. Deletion of Existing Majors in the Baccalaureate Program in Special Education, and Substitution of a Major in Special Education with Eight Curricular Sequences -- Illinois State University
3. Minor in Special Education -- Illinois State University
4. Sequence in Business Information Systems within Certain Business Majors -- Illinois State University

5. Change of Title from Department of Corrections to Department of Criminal Justice Sciences -- Illinois State University
6. Specialization in Rehabilitation Teaching of the Adult Blind within the Masters Degree Program in Special Education -- Northern Illinois University

Staff recommends approval of the proposed new programs, Dr. Matsler stated.

Mr. Patterson moved for approval of the Staff recommendations regarding the programs. The motion was seconded by Ms. Burns.

Mr. Murray noted that several of the requests involve moving from majors to sequences. What is the definition of a sequence, he asked, and is this going to happen in all departments?

Dr. Groves said this is happening and has been for some time. They are sometimes called emphases, sequences, specializations or options.

Does this involve a certain number of hours in the subject area, Mr. Murray asked.

Yes, Dr. Groves said, you would take a unit major and provide for a specialization within that major. For example, he said, in the field of English you might want to have a specialization in Comparative English rather than Comparative Literature. Or you might want a specialization in English Literature or Rhetoric. If you lay out the requirements which must be completed in order to be specialized in a given area, that is known as a sequence, an emphasis or a specialization. Then these are definitely laid out, Mr. Murray asked, rather than being a student option? There are a certain required number to comprise a sequence? That is correct, Dr. Groves responded. How does this compare with a minor, Mr. Murray asked? A minor is a little different concept, Dr. Groves said. It provides for some general preparation in the field at a lower level, and a student takes a smaller group of courses which permit him to become familiar with the subject but at a lower level. Will this occur in all major areas in the future, Mr. Murray asked? Universities have been moving in this direction to some extent, Dr. Groves replied, although there is some movement back and forth. It is a way of adapting to student interest and needs of employers, without going to the practice of establishing a whole lot of new majors. Do sequences appear on a student's transcript as sequences, Mr. Murray asked? Frequently they do, Dr. Groves said, although universities do follow different practices. At ISU and SSU, they do; at NIU they do not.

Dr. Martin said he appreciated hearing Dr. Groves' answers to the questions, but he still wonders how much student demand there is for an application programming sequence or a contract sequence. None of these labels makes any sense to him, he said, and he cannot understand how a personnel office in a business would use them. He wonders why the universities are moving in this direction.

The language in the staff evaluation does not explain that. Dr. Martin noted the statement that the Staff is confident that the new configuration of sequences will enhance an already going concern. In what respect, he asked? This particular group of sequences, Dr. Groves said, was recommended by the Director of the Applied Computer Science program and his program committee, looking over the needs of students and on the basis of established track records. As to the question of student need, he would ask Dr. Horner to furnish further elaboration on this aspect.

Dr. Horner said he believes that the terminology being proposed here is much more common in the computer field than the previous names. More and more today, he said, students want their transcripts to indicate as much as possible a description of the area in which they have specialized. These are very general, but well accepted definitions of certain types of computer application areas.

Dr. Martin said he would ask Dr. Horner if he thinks students would find all A's would improve the appearance of their transcripts. Why does faculty want to have some of these highly detailed channeled courses? Does this mean that a student who has a designation on the transcript that indicates a sequence in system design is not prepared to do the scientific applications? Dr. Martin said he is fearful that we are narrowing the focus of our students to such an extent and presenting their credentials in such a way that their flexibility is limited. Their transcripts will be something they will want to bury in years to come because they are so limited. All this nonsense makes him wonder why we are moving in this direction. Dr. Martin said he has not heard a satisfactory explanation, except the claim that students want it. And he questions that, he added.

Mr. Patterson said after the first year on the job it won't make any difference anyway. So, if they want it, let's let them have it.

Ms. Theobald agreed with Dr. Martin. There is a major difference, she said, about what a student wants to appear on his transcript and what actually needs to be there and what will do the most good in the long run. Continuing on the same line as mentioned by Dr. Martin, she thinks we are starting to box ourselves in. For the next four or five years, these particular things may be appropriate, but what about 10 or 20 years from now? Perhaps a lot of people will find that their degrees are worthless.

Dr. Matsler said if the Board wishes, the Staff will be willing to prepare a report to try and lay out the differences between the categories - a sequence, an option, a major, a minor, etc. Staff can work with the institutions to try to explain why these differentiations are made, and present a report which can serve as the basis for a discussion of the whole matter.

Mr. Murray said that was a good suggestion because he does detect considerable

interest in the subject. He said he has not really formulated any opinion on the matter, although right now he does not agree with Dr. Martin. However, he is interested in what we are doing. For instance, he said, it makes sense to him to have the general category of Special Education with the sequences listed underneath, but he is not sure this is necessary in all areas. Dr. Martin said his concern is about the trend in this direction, having the student confronted with very narrow channels instead of having a chance to "just wander around".

Ms. Burns said she would to have some perspective about how other universities are handling this problem. Are the programs the Board is looking at now similar or identical to categorization by other universities? Staff will include information on this in its report, Dr. Matsler advised.

The question before the Board for approval of the Staff recommendations regarding the new program proposals was called, and the motion carried unanimously.

Section X - Amendment of Resolution Establishing Depositary Procedures for
ISU Revenue Bond Series 1970 Accounts

Dr. Matsler advised that in September 1970 the Regents adopted a Resolution creating a revenue bond issue in the principal amount of \$11,800,000, Series 1970, for construction of the University Union-Auditorium at Illinois State University. Several related Resolutions were adopted at that same time, he said, one of which dealt with depositary procedures. At this time, he continued, some amendments of a housekeeping nature are required to update this particular Resolution, the text of which is reported on pages 56, 57 and 58 of the Proceedings of the Board of Regents for the period July 1, 1970 - June 30, 1971.

Staff recommends, Dr. Matsler said, approval of the following listed amendments to the depositary procedure resolution adopted on September 17, 1970 and published in the Proceedings of the Board of Regents for the period July 1, 1970 - June 30, 1971:

1. On page 56, the first full paragraph uses the title, "Assistant Secretary". To bring this title into conformance with that listed in the Bylaws, it should be corrected to read, "Assistant Secretary-Treasurer". A similar correction is required in the second full paragraph on page 56, the first full paragraph on page 57, and the second full paragraph on page 58.
2. On page 56, the second full paragraph uses the title, "Vice President, Dean of Administrative Services". That position has since been eliminated and replaced by the "Vice President for Business and Finance". The reference in this paragraph should be corrected to reflect that change. A similar correction is required in the first full paragraph on page 57 and in the second full paragraph on page 58.

Mrs. Suggs moved for approval of the Staff recommendation. The motion was seconded by Mr. Shuman, and it carried unanimously.

Section XI - Legal Counsel Report

Mr. Winning presented two collective bargaining agreements for approval by the Board. Both have been examined by counsel, he advised, and are in order both as to form and as to wage increases, and he would recommend that authority be granted to execute the agreements. In addition, Mr. Winning stated, the staff at ISU should be commended - as well as the bargaining units representing the unions - because they have gone a long way toward clarifying language in the agreements as recommended by Board counsel almost a year ago.

1. Illinois State University - AFSCME Local 1110
This agreement covers grounds and maintenance workers, attendants, farm workers, laborers, mechanics and kitchen and laundry workers at ISU. It contemplates moving from a 40 hour week to a 37½ hour week as of May 15, 1978. Wage increases are within appropriate ranges.
2. Illinois State University - Mackinaw Valley Lodge No. 67 (Police)
This is a renewal contract covering police officers and contains provisions which are consistent with Board policies.

Dr. Martin moved for approval of the collective bargaining agreements as recommended by Legal Counsel. The motion was seconded by Dr. Wellbank, and it carried unanimously.

3. Amendment to Article V of Board of Regents Governing Policy
Mr. Winning said because of possible inconsistencies between university governance documents and express provisions of Board Governing Policy he had prepared a proposed amendment to Board Policy, to amend Section 4 of Article V to read as follows:

Section 4. UNIVERSITY CONSTITUTIONS

When adopted by the Board of Regents, the document prepared by each Regency University to provide for its internal operating organization within the framework of the governing policy of the Board shall be classified as the university's constitution. To the extent that it is consistent with existing Board legislation, the constitution shall become an integral part of the Board's legislation with reference to that university.

Mr. Winning said he would hasten to add that as pointed out by Mr. Koltun, speaking for JUAC, this proposed amendment is probably a little simplistic. After drafting the amendment, he said, he took a look at the constitutions, the Board Policy and Regulations - written and unwritten -

and even a few items in the AAUP policies and procedures. It appears, Mr. Winning said, that this is substantially a bigger job than the proposed amendment reflects, and he would suggest that while this may be submitted today for first reading, there may be a substantial difference in the version submitted for second reading. He concurs with the Joint University Advisory Committee that this is a problem that will require some concentrated thinking.

4. Board of Regents ads Robert S. Wilson

This suit has been won at the trial court level, Mr. Winning advised. It was an action wherein a professor at Northern Illinois University was suing for salary for summer school work, and there was some question about whether he had performed the contract. It was determined by the court that he had not, and was not entitled to the salary.

Mr. Murray asked if the Joint University Advisory Committee wished to make any further comments at this time. Mr. Koltun replied that it did not.

RECURRING INSTITUTIONAL MATTERS

Illinois State University - President's Report

Before presenting his Report to the Board, President Watkins requested a change in the language in the item relating to the Residence Hall Room and Board Rates to indicate that the University plans to retain current rates (page 2, item 1. (b)).

The President advised the Board that the University hopes by the first of the year to be able to appoint a new Executive Officer. The University does need to proceed with the appointment as quickly as possible, he said, and the name of the individual will be presented for approval at the next meeting of the Board.

An Addendum to the Report was distributed relative to the remodeling of the Eleventh Floor of Hamilton-Whitten Halls, and the President advised that a description of the project plans and specifications would be presented by a representative of the architectural firm, Evans-Mills-Gardner, with a request for permission to proceed with completion of the construction documents and to put the project out for bids.

Information reports were presented on:

- Buildings and Grounds
- Not-for-Profit Corporations
- Bond Redemptions
- Bond Tender

The following items were submitted for Board action:

1. Personnel transactions for faculty and administrative staff and for civil service personnel. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.

2. Purchases as appended to the Presiden'ts Report.

3. Student Fee Changes for 1978-79

(a) Health Insurance Fee

Permission was requested to delay approval of this fee for 1978-79 until May 1978.

(b) Room and Board Rates for Residence Halls

The University plans to retain the current room and board rates for all residence halls for 1978-79.

(c) Health Service Fee

Permission was requested to increase the Health Service Fee from \$15 per full-time student per semester to \$16.50, and from \$7.50 per full-time summer student to \$8.25, effective Fall Semester 1978.

(d) Cardinal Court Remodeled Apartments

Approval was requested for the following schedule of apartment rentals at Cardinal Courts:

1 bedroom apts.	\$90.00
1 bedroom apts. (remodeled)	118.00
2 bedroom apts.	105.00
2 bedroom apts. (remodeled)	133.00

Increases will become effective September 1978 and will apply to apartments in Bond Revenue Series 1967 as they are remodeled.

Mr. Mills, Mr. Ward and Ms. Boyer responded to specific questions from the Board relative to the need for the remodeling of the eleventh floor of Hamilton-Whitten Halls.

Mr. Patterson moved for approval of the Report of the President of Illinois State University, as amended. The motion was seconded by Dr. Martin, and it carried unanimously.

Sangamon State University - President's Report

President Spencer submitted information reports to the Board on:

Institutional Mission and Academic Planning, Fall 1977

Grants and Contracts

Financial Activities - Not-for-Profit Corporations

Planning and Development

The following items were submitted for Board action:

1. Termination and Re-execution of Contract for Upgrading of HP3000 Computer System.

In order to take advantage of cost reductions made possible by an agreement with a third party vendor, the University requested approval to terminate its agreement with Hewlett Packard Company for the upgrade of the HP3000 system and to include that upgrade within the scope of the agreement now being executed with the First Municipal Leasing Corporation of Englewood, Colorado. To accomplish this objective, the following Resolution was presented for adoption by the Board:

BE IT RESOLVED that the Board of Regents, a body corporate and politic, acting for Sangamon State University authorizes the University to terminate the existing contract between the Board of Regents and the Hewlett-Packard Company, Rolling Meadows, Illinois, for the lease/purchase of an upgrade of the Hewlett-Packard 3000 computer system as authorized by the Board at its May 19, 1977, meeting.

BE IT FURTHER RESOLVED that the Board of Regents acting for Sangamon State University approves the execution of a single lease/purchase contract with the third party vendor, First Municipal Leasing Corporation, Englewood, Colorado, for the HP3000 computer system authorized by the Board at its November 20, 1975, meeting and the upgrade of the HP3000 system authorized at its May 19, 1977 meeting in a total amount not to exceed \$300,000 to be paid during the time period from FY78 through FY82. This amount is less than the combined amount remaining to be paid under the existing contracts with IEC and the Hewlett-Packard Company, respectively.

2. Personnel transactions for faculty and other employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
3. Purchases as appended to the President's Report.
4. Planning and Development
 - (a) Submission to the Board of Higher Education of a Plan for Construction of 80 Units of On-Campus Student Housing as a Noninstructional Facility
Approval was requested for the submission to the Board of Higher Education at its January 1978 meeting of the plan for the construction of 80 units of on-campus student housing as a noninstructional facility.

Commenting on his Report, President Spencer noted the importance of the report contained therein on the special mission in public affairs of Sangamon State University.

The next step in the request for on-campus housing, the President advised, is to seek approval of the project as a non-instructional facility by the Board of Higher Education. The restatement of the university's mission was requested by the BHE in order for that Board to look at the housing request. Vice President Keiser and Dr. Matsler have discussed this with the staff of the BHE, he said. The BHE decision on the request will probably take place at their January 10 meeting in Chicago, if the request is approved by the Regents today. During the month of December the President noted, the institution will be in touch with several Regents as well as members of the higher board about the background and history of this request.

Dr. Matsler said the Board would remember that last summer the Board authorized President Spencer to explore funding possibilities for some kind of housing on the SSU campus. Subsequently, he did obtain HUD funds in the form of a \$2,065,000 loan at an interest rate not to exceed 3% and for a time period of up to 40 years. After that, information discussions were had with BHE staff relative to housing on the campus, Dr. Matsler continued, although that staff has not been too enthusiastic about this. BHE staff discussed with representatives of Sangamon State and the Central Staff the mission of the University and the housing project itself. Mr. Furman and he had agreed, Dr. Matsler said, that we would not do anything further on this until the BHE staff, the University and Board staffs could get some agreement or sign off before we went to the General Assembly to ask for authorization for the loan itself. The Board of Regents has authorized acceptance of the loan, but this must also be approved by the legislature. BHE staff urged that we not go to the General Assembly before approval of the project by the Board of Higher Education. However, time constraints existed, Dr. Matsler said, and the Central Staff insisted that it was necessary to get legislative approval in the Fall prior to the BHE action. Included in the resolution was a statement that the approval was given to Sangamon State and the Board of Regents subject to approval by the BHE, he added. There was no intent whatever, he said, to get around the BHE all during these transactions and discussions.

We are now at the point, Dr. Matsler advised, where we will perhaps have some difficulty with some of the members of the BHE in getting their approval and support for the project. This is a very important issue, he said, and he would hope that the Board of Regents would support the University and the Staff in their efforts to talk the higher board into supporting the program. This will not be particularly easy. The University is preparing a more detailed package to take to the BHE, and it is hoped that they will grant approval for this in January. Dr. Matsler said he wanted to make sure that everyone realizes that this is not going to be an easy road, and perhaps it may be necessary to contact some of the BHE members and their staff.

The Resolution is still in the Senate, Mr. Murray asked?

The Resolution was submitted in the fall, Dr. Matsler said, because it was felt that it had to be introduced in order to get it through. If it was held until the January session, it was feared that it would not receive approval until probably

July of 1978. There are only 18 months allowed to get this project underway, he noted, and already five of those have come and gone. At the moment the Resolution is in the Senate. It was held on a motion of Senator Hickey who felt that the BHE should act on it first. If the Board of Higher Education approves this in January, Dr. Matlser said he is confident that it will get through the General Assembly and the timing will be all right.

President Spencer added that the staff of the BHE has no objection to our communicating with BHE members individually about the project. They have indicated that they might bring this in to their board without a recommendation by including Sangamon State's report on the agenda. This is a policy question of some importance to the BHE, the President said. He also advised that a group of local businessmen have volunteered to contact BHE people about the seriousness of their interest in the project.

Mr. Patterson moved for approval of the Report of the President of Sangamon State University. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Northern Illinois University - President's Report

Before presenting his Report to the Board, President Nelson distributed copies of Addenda: Personnel Transactions - Faculty Appendix; Purchases Appendix, page 39, Item f.; Buildings and Grounds, page 14, Item 6; and Buildings and Grounds, page 14, Item 7.

Information reports were submitted on:

- Status of Undergraduate Admissions for Fall 1978
- Status of Undergraduate Admissions for Spring 1978
- Grants and Contracts (Research, Institutes, and Studies)
- Gifts to Northern Illinois University Foundation
- Gifts to Northern Illinois University
- Revenue Bond Redemptions
- Residence Halls Room and Board Rates During 1978-79
- Transfer of Public Service Bureau to College of Continuing Education
- Recap of Project Budgets for EDA Projects

The following items were presented for Board action:

1. Personnel transactions for faculty and administrative employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. Permission was requested to charge up to $1\frac{1}{2}\%$ interest per month on amounts due the University which extend past their due date. The interest charge will apply to the installment portion of room and board contracts, as well as to any non-installment contract not paid by the due date. It will eliminate the present \$30 per year service charge applied to install-

ment contracts. The total cost to the student will be substantially lower, approximately \$14 per year interest cost vs. present \$30 service charge. The interest charge would be applied to all University billings -- housing, short-term student loans, library, bookstore, University Center, University Press and others as deemed necessary by the Vice President for Business Affairs. The late interest charge will not be applicable to tuition and fees which are unpaid at the end of the regular registration. The present \$25 late payment fee will be charged in increments of \$5 per day of delinquency up to \$25 maximum. Tuition and fees billed after the regular registration period will be subject to the interest charge if the billing is not paid by the due date. The latter billings are not subject to the \$25 late payment charge. The changes will be effective with billings for payments due for the Fall Semester 1978.

3. Permission was requested to defer requests for student fee increases until the February 1978 Board meeting.

4. Purchases as appended to the President's Report.

5. Buildings and Grounds

- (a) Repair and Waterproofing of Pedestrian Tunnel Between Neptune North and Neptune Central

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Driessen Construction, St. Charles, Illinois, in the amount of \$29,960.00. Project budget was submitted for approval as follows:

Construction Cost	\$29,960.00
Architect & Engineer Fee	3,000.00
Contingency	<u>3,000.00</u>
Total Project Cost	\$35,960.00

Payable from Revenue Bond Funds, 21-50630-772.

- (b) Stadium - Replacement of Handball Court Floors

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Wig Interiors, Sycamore, Illinois, in the amount of \$13,760.00. The project budget was presented for approval as follows:

Construction Cost	\$13,760.00
Contingency	<u>700.00</u>
Total Project Cost	\$14,460.00

Payable from Revenue Bond Funds, 25-51830-772.

- (c) Remodeling of Shower and Toilet Rooms in Stadium

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Irving Con-

struction Company, DeKalb, in the amount of \$12,500, and that the project budget be established as follows:

Construction Cost	\$12,500.00
Contingency	<u>1,250.00</u>
Total Project Cost	\$13,750.00
Payable from Revenue Bond Funds 25-51830-772.	

(d) Grant South Roof Repairs

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Carlson Roofing Company, Rockford, in the amount of \$22,580.00. Project budget was recommended as follows:

Construction Cost	\$22,580.00
Contingency	<u>1,120.00</u>
Total Project Cost	\$23,700.00
Payable from Revenue Bond Funds, 25-51930-772.	

(e) Rehabilitation of Women's Locker Room in Anderson Hall

A tabulation of bids received was presented with a recommendation that the low bids be accepted and contracts awarded as follows: for General Construction to Irving Construction Co., DeKalb, in the amount of \$24,000.00; for Electrical to Virgil Cook & Son, Inc., DeKalb, in the amount of \$3,220.00; for Ventilating and Sheet Metal to E. B., Inc., DeKalb, in the amount of \$1,275.00; and for Plumbing to Lundin Plumbing & Heating, Sycamore, in the amount of \$11,144.00. Project budget was recommended as follows:

Construction Costs	\$39,639.00
Contingencies	<u>2,111.00</u>
Total Project Cost	\$41,750.00

(f) Remodeling Swen Parson Library - Phase II

When bids for Phase II of the project were received, the low heating bid was approximately 50% over the architect's prebid estimate; and the architect and the university concluded that this portion of the work should be rebid. After minor modifications were made to the plans and specifications, the heating work was rebid on November 18, 1977. On November 21 the architect and the university received a telegram from Voris, Inc., the low bidder on the heating work, indicating that an error had been made in the bid. The next day the University received a letter of confirmation indicating that a \$100,000 error had been made.

Based upon bids received and the architect's recommendation, the University recommended the acceptance of the low bids, plus stated alternates, and requested the Board to approve the award of contracts as follows:

General

Meyer-Ross, Northbrook, in the amount of \$536,329 (Base Bid less Deductive Alternates G-2 through G-7)

Plumbing

Lundin Plumbing & Heating, Sycamore, in the amount of \$57,419.

Electrical

Kelso-Burnett, Rockford, in the amount of \$202,601 (Base Bid less Deductive Alternates E-1, E-6 and E-7)

Ventilation

E.B., Inc., DeKalb, in the amount of \$139,000 (Base Bid less Deductive Alternate V-7)

Heating

Voris, Inc., Chicago, in the amount of \$374,711.

In the event the low bidder for the heating work (Voriss, Inc.) fails to complete the contract documents, the University recommended the award of the heating contract to the second bidder, Mechanical, Inc., Freeport, Illinois, in the amount of \$438,444.

Permission was also requested to retain the certified check in the amount of \$14,500 which was submitted by Voriss, Inc., as a bid deposit and to apply those funds to the project. Further, permission was requested to undertake appropriate action to recover the difference between the bid submitted by Mechanical, Inc. (\$438,444) and the bid submitted by Voriss, Inc., including the forfeited bid deposit (\$374,711 + \$14,500).

(g) University Apartments - Renovation of Loggia

Permission was requested for the University to prepare plans and specifications, advertise and receive bids for the renovation of the remaining section of the loggia, Wings "B" and "C". Estimated cost of the project is \$25,000. No architectural/engineering fees will be charged to the project. Payable from Revenue Bond Funds.

(h) Pre-Alarm Fire Alarm System for Grant South

Permission was requested to employ Brown, Davis, Mullins & Associates, Inc., Champaign, to develop plans and specifications, advertise and receive bids for installation of a pre-alarm fire alarm system. Total estimated cost of the project is \$50,000. Engineering fee will be in accordance with Board of Regents' fee schedule. Payable from Revenue Bond Funds.

(i) Pre-Alarm Fire Alarm System for Grant North

Permission was requested to employ the firm of Brown, Davis, Mullins & Associates, Inc., Champaign, to develop plans and

specifications, advertise and receive bids for installation of a pre-alarm fire alarm system. Total estimated cost of the project is \$50,000. The Engineering Fee will be in accordance with the Board's schedule. Payable from Revenue Bond Funds.

- (j) Lincoln Hall - Redesign of Food Serving Line
Permission was requested to employ the firm of Culinary Planning, Inc., Elk Grove Village (formerly Charles C. Hansen, Food Service Consultant), to prepare plans and specifications in conjunction with the University Physical Plant Department, advertise and receive bids for the remodeling of two of the four serving lines in Lincoln Hall. Total estimated cost of the project, including fees and contingencies, is \$233,400. Payable from Revenue Bond Funds.
- (k) Replacement of Windows at Gilbert Hall
Permission was requested to prepare plans and specifications, advertise and receive bids for replacement of windows in Gilbert Hall and the exterior doors. Total estimated cost of the project is \$140,000, including contingency. No architectural/engineering fee will be charged to the project. Payable from Revenue Bond Funds.
- (l) Replacement of Window Walls in Lincoln Hall
Permission was requested to employ the firm of Rath's, Rath's & Johnson, Inc., Hinsdale, to prepare plans and specifications, advertise and receive bids for replacement of the curtain walls on the four student room wings of Lincoln Hall. The architect's fee will be in accordance with Board of Regents Group I fee schedule, plus allowance for remodeling. Total estimated cost of the project, including fees and contingencies, is \$975,000. Payable from Revenue Bond Funds.
- (m) Replacement of Windows in East/West Neptune
Permission was requested to prepare plans and specifications, advertise and receive bids for replacement of the windows in Neptune East and West. Total estimated cost of the project is \$240,000 including contingency. No architectural/engineering fee will be charged to the project. Payable from Revenue Bond Funds.
- (n) Replacement of Windows in Neptune Central
Permission was requested to prepare plans and specifications, advertise and receive bids for replacement of the windows in Neptune Central, including the connecting links to Neptune East and West. Total estimated cost of the project is \$60,000 including contingency. No architectural/engineering fee will be charged to the project. Payable from Revenue Bond Funds.
- (o) Lighting the Tennis Courts
Permission was requested to prepare plans and specifications, advertise and receive bids for installation of lights at the 12 tennis courts

on West Campus. Estimated cost of the project is \$110,000 including contingencies. No architectural/engineering fee will be charged to the project. Payable from Revenue Bond Funds.

(p) Sanitary Sewer Easement for DeKalb Sanitary District

Presented for approval by the Board was a Grant of Easement to the DeKalb Sanitary District for the extension of a sewer line through the University campus. The Grant of Easement has been approved by Legal Counsel as to form.

Commenting on the University request to defer requests for student fee increases President Nelson said that after discussing this with Dr. Matsler, it was concluded that it would be deferred until the February meeting. The President noted that at the present time NIU has the largest total of student fees of any of the State universities. The reason for this is that NIU also provides a unique service for the students, the Huskie Bus Line. Nevertheless, the President said, with their concern about competing for students with other institutions, it is felt that they cannot allow the fee structure to get out of line. In addition, if NIU is to continue with their intercollegiate athletic program at its present level and compete as a member of the Mid-America Conference, they will have to give active consideration to an increase in the fee for athletics. Meanwhile, the President said, we do not know what will happen tuition-wise, and this is all part of the same problem.

President Nelson said he does not think that the Huskie Bus Line would be disadvantaged if it does not know until February whether there will be an increase in that fee. He emphasized that he is not opposed to a fee increase although he is not sure that the amount being requested is right. Some people in the Business Affairs office of the University have observed to him that particularly on weekends they see many buses without any passengers at all maintaining their runs. He thinks there should be a very thorough study to see if perhaps some of those runs can be eliminated and the costs cut. Mr. Jordan, President of the Student Association, has indicated that he favors such a study, and the President said he personally thinks the study should be made before requesting an increase in the fee. Mr. Jordan, however, feels very strongly that as far as the SA is concerned it is important that they have an increase in the fee at this point in time. President Nelson asked the Board for permission for Mr. Jordan to address it at this time regarding the issue and express his concerns and those of the SA.

Mr. Patterson moved for approval of the President's Report for Northern Illinois University, as amended. The motion was seconded by Dr. Martin.

Mr. Murray asked Mr. Jordan to explain to the Board exactly what is being proposed by way of a fee increase for the Huskie Bus Line.

Mr. Jordan advised that each member of the Board had received a handout this morning detailing the need for the \$5.00 increase in the fee. Mr. Jordan said he must take exception to what President Nelson said - that it would not hurt the SA to hold off on requesting a fee increase until February. It will hurt, he

said, in terms of proper planning for next year, in terms of sending out bids. Last year 20 requests for bids were sent out and only one bid was received. Proper time is not allowed for soliciting and receiving bids, and this is perhaps a reason why costs are so high. It would put the Student Association in a bind to have to wonder, along about February, if they will receive the increase needed to maintain the service. The bus service is a fine one, Mr. Jordan said, and one of the best public relations things that NIU has going. It is an important part of campus life. The President mentioned that sometimes on weekends buses are seen going empty, and he is sure that at times this does happen; however, he would speculate that these times are minimal. The bus service is a necessity in terms of providing the quality of campus life Northern needs - the ability to take students to and from cultural events, shopping and the library. All of these are important. Right now, Mr. Jordan said, he and Randy Bukas, Student Services Advisor of the SA, are hesitant to enter into negotiations with the towns of DeKalb and Sycamore in terms of extending the bus service, because they really do not know where they will be with the service. If the matter of the increase can be addressed by the Board today, they would have a better idea of where they will be and also be able to enter into these negotiations. This will promote the whole communiversity aspect that is needed in DeKalb, Mr. Jordan said.

President Nelson asked Mr. Jordan what the contract period is for the bus service. The contract expires at the end of the school year, Mr. Jordan said.

Mr. Murray said he had just finished reading the proposal submitted by Mr. Bukas. He asked if the SA had really made any meaningful surveys as far as rider useage is concerned or whether they might conserve without the necessity of raising the fee.

Mr. Bukas said he does have some figures from last year, gathered during bad weather such as we are now having. There were 130,000 persons who rode the buses in a one week period. Fifteen million passengers have been transported by the system since it first began operation. Last summer the problem was that the bids came back late and they found that the bid was \$40,000 more than they were expecting in income. He then got together with what was left of the busing committee and explored what the possibilities were.

With whom was the matter discussed, Mr. Murray asked? Did they have any kind of facts and figures? Not statistically, Mr. Bukas replied.

Mr. Patterson pointed out that the students did hold a referendum on this question and it passed. Yes, Mr. Murray acknowledged, but of 16,000 students only 2000 voted. That is typical of his school district, Mr. Patterson said, and he would suspect that it is true of any district. But everyone is afforded the opportunity to vote and of those who did, it was two to one in favor of it. Mr. Murray said he understands this, but he has always questioned whether the commuter students should pay the full cost. Mr. Bukas said there is a procedure for the commuter students to ask for reimbursement of the fee. Vice President Smith advised that this reimbursement procedure applies only to the health insurance.

Dr. Matsler said he did not realize that this would be an item on the Board's agenda today. He reported that he had just received a letter from a student at Northern which he had not had an opportunity to share with either the President or Mr. Jordan, but he would like to read a portion of it at this time:

"I wish to reply to the general attitude that there is no student opposition to the proposed fee increase for the benefit of the Huskie Bus Line at Northern Illinois University. In the November 15 issue of the Northern Star, Robert Benad, Huskie Line Resident Manager, stated, 'There's no reason to turn it (the fee increase) down. Everyone wants it.' Though we compose a minority, there are some students who oppose the increase, for reasons the majority fails to recognize.

"The number of empty buses I see roll past my dorm window late at night and during lulls between classes is aggravating. Certainly there is room here on the route 4 buses for the cutbacks that would be necessary if the increase was not passed.

"The fairer system I would propose would have students pay a small amount each time they board a bus instead of having the bus line supported by fees. This would serve two purposes: first, by making people think about whether the ride is worth the money instead of having the money automatically withdrawn from our checkbooks, we would see just how popular the system that 'everyone wants' is. I know many route 4 riders would otherwise walk to campus, but they see the bus in front of their dorm, figure the ride is 'free', and hop on. Second, the system would no longer penalize those industrious enough to walk to class, or those who commute and cannot use the system, \$30 (or possibly \$40) annually."

The letter continues, Dr. Matsler advised, and while he is not trying to make a case one way or the other, he simply wanted to advise the Board that there is some opposition to this and perhaps the whole issue needs a little more time. Perhaps, he suggested to Mr. Jordan, this could be put off until the February meeting in light of the fact that not everyone apparently is supportive of the increase.

Mr. Resnik said he would propose an amendment to the motion on the floor to increase the bus fee from \$15.00 to \$20.00 per semester, and couple that with a request for an intense investigative study of the busing system at Northern to see if the efficiency of the system can be increased.

Explaining his motion to amend, Mr. Resnik advised that Mr. Jordan and Mr. Bukas and briefly outlined to him a program where perhaps they would have the busing system during the first two weeks of school, then stop until this time of the year when the weather is bad, stop in the Spring, and then resume during the last two weeks of school.

Mr. Patterson seconded the motion to amend.

This seems to be putting the cart before the horse, President Nelson observed. It would seem better to have the investigation first to see if they can get along on the same amount of money. If they can't, he would be supportive of the increase. He is not completely opposed to an increase, but it would have a tremendous impact on campus if they have to withdraw from intercollegiate athletics.

Dr. Matsler stressed that the Board must still consider the tuition question, and at this time we do not know what that amount might be.

Mr. Murray said it would seem to him that when they are bidding what they estimate to be a \$640,000 item, the SA should be willing to spend some money on a decent consultant or survey, if there are in fact empty buses rolling around. He thinks this should be done before requesting an increase. He would certainly expect the university to do that before coming in with a request of this size. Is it possible, Mr. Murray asked, for the university to work with the Student Association on this type of a survey? The university can do this, Vice President Smith advised. Has there been any attempt to do this, Mr. Murray asked? Not to his knowledge, Dr. Smith responded. The design of the system has been essentially done by the students, President Nelson stated, and he thinks that they have done a good job. But we are really at a point, he added, where we should take a good hard look at the service. If after such research or survey it is decided that such an increase is necessary, Mr. Murray said he would be willing to go along with it.

Referring to the letter read by Dr. Matsler calling attention to late night buses going around empty, Mr. Jordan said he thinks that there is an obligation to the students at NIU to prevent such things as rapes - and this is a possibility when students must walk home from the library late at night. Normal Street is not one of the best lit streets, and in fact lighting on the campus is not that good either. We must address some of the social problems we are dealing, he said. He acknowledged that probably each bus does not go around to maximum utility, and probably the system will never get to that point. But if the system is to serve for the total benefit of the university, the present system is a very good one.

What about the question of having riders pay when they board the bus, Mr. Murray asked? Under the present system, Mr. Jordan said, they do not have to pay the drivers extra because they are not handling money, and they would have to install fare receptacles in each bus. The present system is much easier, and students do not have to constantly pull money out of their pockets. Mr. Jordan said he would agree that some changes do need to be made, but the changes will really not bring down the costs that much, he added.

Mr. Patterson said he believes the students should be commended for having done as well as they have, and he is perfectly willing to support the request for an increase.

Under the proposed amendment, Mr. Murray asked who would conduct the study. This should be worked out by the administration and the Student Association, Mr. Resnik advised.

The question before the Board was called for a vote, and the motion to amend carried, with Mr. Murray casting a dissenting vote.

The main question before the Board for approval of the President's Report as amended was called for a vote, and the motion carried unanimously.

There being no further business before the Board, the meeting was declared adjourned. The next regularly scheduled meeting of the Board will be held on February 16, 1978 in Springfield, Illinois.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Sangamon State University - Springfield, Illinois

February 16, 1978

The regularly scheduled meeting of the Board of Regents convened at 10:30 a.m. on February 16, 1978 in Room J-149 at Sangamon State University, Springfield, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order by the Chairman, roll was called, and the following Regents were present:

Mr. Michael J. Brady	Mrs. Eleanor R. Suggs
Ms. Carol K. Burns	Ms. Kimberly A. Theobald
Dr. Dan M. Martin	Ms. Jill Welander
Mr. Richard Resnik	Dr. Harry L. Wellbank
Mr. Charles B. Shuman	Mr. David E. Murray, Chairman

Mr. James M. Patterson was not present for the meeting.

Also present were:

Dr. Lloyd I. Watkins, President, Illinois State University
 Mr. Richard J. Nelson, President, Northern Illinois University
 Dr. John H. Keiser, Acting President, Sangamon State University
 Dr. William Monat, Acting President of Northern Illinois University
 joined the Board at the meeting table at the time the NIU
 President's Report was presented.
 Dr. Franklin G. Matsler, Executive Director, Board of Regents

Others in attendance included staff members from the Universities and the Central Office; members of the Joint University Advisory Committee; and representatives of the news media.

The minutes of the meeting of December 1, 1977 had been distributed prior to the meeting, the Chairman asked if there were any additions or corrections to be proposed. There being none, the minutes were unanimously approved as submitted.

Ratification of January Transactions

The Chairman noted that those transactions submitted by the Universities and the Central Office for preliminary approval during the month of January were included in the Reports to the Board today for formal ratification. On motion by Mrs. Suggs, seconded by Ms. Theobald, the January transactions were unanimously approved.

CHAIRMAN'S ITEMS

Mr. Murray stated that as everyone is aware President Spencer at Sangamon State University had submitted his resignation to the Board in executive session on December 19, 1977, and at this time it would be appropriate to entertain a formal motion to accept his resignation.

Mr. Brady moved to accept the resignation of Dr. Robert C. Spencer as President of Sangamon State University, effective August 15, 1978. The motion was seconded by Ms. Burns, and it carried unanimously.

The Chairman noted that under the terms agreed upon in executive session, the Board decided to grant Dr. Spencer a sabbatical leave from February 1, 1978 to August 15, 1978. He shall continue to live in the University Residence until August 1, 1978. The Board also agreed to appoint Dr. Spencer as a Professor of Government and Public Affairs at Sangamon State, effective August 16, 1978, with tenure and at a monthly salary of \$3,500.00.

Dr. Martin moved for approval of the appointment of Dr. Spencer as stated. The motion was seconded by Ms. Welander, and it carried unanimously.

Mr. Murray, noting that Dr. Spencer was present for the meeting, said he believes that he is expressing the feelings of the Board when he tells Dr. Spencer that he has made a tremendous contribution to Sangamon State University and to education in the State of Illinois. In his prepared statement, Mr. Murray continued, he had expressed his feeling that President Spencer certainly was the major force in the creation of the University which occupies a unique position in education in the State and deserves substantial credit for his contributions to the institution as well as for Sangamon's contribution to education. More than that, Dr. Spencer is a sincere and conscientious individual with whom it has been a pleasure to work. He will be missed at Board meetings and as President. Mr. Murray said he is gratified that Dr. Spencer has chosen to stay at SSU and he believes that the university will be the beneficiary of his contributions in the future. The Chairman wished Dr. Spencer good luck on his sabbatical leave and when he returns to the campus. Mr. Murray then asked Dr. Matsler to present to the Board a formal resolution commending President Spencer.

WHEREAS, Robert C. Spencer has served as the first President of Sangamon State University; and

WHEREAS, Dr. Spencer has, since 1969, provided imaginative leadership and unbounded energy in the performance of his duties as President; and

WHEREAS, Dr. Spencer has overseen the development of a fledgling university into a unique and important institution in the State of Illinois; now, therefore, be it

RESOLVED that the Board of Regents on behalf of the People of the State of Illinois hereby extend its heartfelt thanks to Dr. Spencer for his courage, his resourcefulness, and his service to this great State.

Mr. Shuman moved for adoption of the Resolution. The motion was seconded by Mrs. Suggs, and it carried unanimously. The Chairman requested Dr. Matsler to have a copy of the resolution prepared appropriately for presentation to Dr. Spencer.

Mr. Murray then asked for a motion to appoint an Acting President for Sangamon State University.

Mr. Brady moved to appoint Dr. John Keiser as Acting President of Sangamon State University, effective February 1, 1978, at his present salary and with an additional monthly stipend of \$400.00 in lieu of housing, and with all responsibilities and authority normally granted a president in the Regency System with the exception of the use of the University Residence. The motion was seconded by Dr. Martin, and it carried unanimously.

Dr. Matsler said he would take this opportunity to suggest a couple of things that might be done on campus - things which might be of interest to Dr. Keiser and to the faculty at Sangamon State. In the first place, he said, Sangamon State really should be congratulated for a number of recent accomplishments - the Public Affairs Center and the student housing project. Further, Dr. Matsler said, the mission of the university has undergone a tremendous amount of study by different agencies and seems to be coming into shape very well now. The reorganization that President Spencer has begun at administrative levels will be saving administrative costs much more than some might realize at the moment. Dr. Matsler said he thinks it is now time to encourage the university - the faculty and the administration - to look to further reorganization perhaps at the program level - to look to the possibility of a department type of organization, where they might have department chairmen. He believes, he said, that with this the university's programs can better be put to the Board of Higher Education, the Board of Regents and the General Assembly if the institution were reorganized a little more in the traditional fashion. Dr. Matsler said he is simply suggesting this now, and perhaps at a later time Dr. Keiser might wish to speak to this. He said he has discussed with Dr. Keiser what might be done in the next six months, and he believes that this might be one of the matters taken under consideration by Dr. Keiser.

Mr. Murray welcomed Dr. Keiser to the presidency and to participation with the Board in the coming months. Dr. Keiser thanked the Board.

At this time Mr. Murray said he would announce the composition of the presidential search committee at Sangamon State. Representing the Board of Regents, he said, would be Dr. Dan Martin as chairman of the committee, Mr. Charles Shuman, Ms. Carol Burns, Dr. Franklin Matsler, and himself as an ex officio member. Faculty will be represented on the committee by Dr. John Munkirs

and Dr. Cullom Davis. Mrs. Helen Dunn will represent the Alumni Association, and Mr. LeRoy Jordan the operating staff at Sangamon State. Additionally, he said, the committee will include a representative of the Springfield community, however, inasmuch as he has not yet been able to communicate with the individual, he would withhold this announcement. Mr. Murray said he understands that there has been some question about the student member to serve on the committee - some problem with the appointment - and he would withhold that appointment until the matter is clarified on campus. The Chairman said hopefully the two appointments can be made within the next two or three days. He said he understands that Dr. Martin has called a meeting of the committee at the conclusion of today's Board meeting in the President's Conference Room. The Board's charge to the committee is to begin the search immediately and proceed expeditiously to the conclusion of the job.

Mr. Murray said that along with the resignation of President Spencer, he is saddened to have received a letter from President Nelson indicating that he is submitting his resignation as President of Northern Illinois University to be effective at the pleasure of the Board. Mr. Murray said that, without breaching any confidences, President Nelson has stated that he appreciates very much the support the Board has given him through the past six months; the past six and a half years have been challenging and rewarding ones for him and Mrs. Nelson; and it has been a privilege to have been associated with Northern Illinois University and with the Board of Regents.

The Chairman called for a motion to accept the resignation of President Nelson.

Mr. Resnik moved to accept the resignation of Mr. Richard J. Nelson as President of Northern Illinois University effective February 16, 1978. The motion was seconded by Mrs. Suggs, and it carried unanimously.

In executive session, Mr. Murray reported, the Board decided that in addition to accepting the resignation, it would ask Mr. Nelson - if agreeable with him - to stay at Northern for the transition period and duties in connection therewith for a period of two months at his present salary rate and with the right to remain in the University Residence for the two month period.

Ms. Burns moved to approve the retention of Richard J. Nelson as an advisor for a period of 60 days to help with the transition, at his present salary, and the right to remain in the University Residence during that period. The motion was seconded by Ms. Theobald, and it carried unanimously.

At the request of the Chairman, Dr. Matsler presented the following resolution to the Board:

WHEREAS, Richard J. Nelson has served as President of Northern Illinois University since 1971; and

WHEREAS, Dick Nelson has through his calm demeanor, his wisdom, and his fair-minded manner provided the university with

sound leadership; and

WHEREAS, Dick Nelson has effectively contributed to the welfare and progress of Northern Illinois University; now, therefore, be it

RESOLVED that the Board of Regents on behalf of the People of the State of Illinois hereby express its appreciation for his contributions to Northern Illinois University and to the Regency System.

Mr. Shuman moved for adoption of the resolution. The motion was seconded by Mr. Resnik, and it carried unanimously. The Chairman requested Dr. Matsler to have a copy of the resolution appropriately prepared for presentation to President Nelson.

Mr. Murray said he had prepared a statement which reads in part: "During his tenure at Northern, Dick Nelson has maintained the university on an even keel while guiding it through some difficult times. Characteristic of President Nelson has been the humane and thoughtful attitude that he exhibits toward all people, and in particular his associates and other members of the university community. This kindness on his part will be remembered for many years to come. I can speak for those of us who have worked with him when I say that we will be sorry to see him leave Northern."

President Nelson commented that President Spencer joins with him in congratulating Dr. Watkins on becoming the senior president in the Regency System.

Mr. Murray said his statement was meant sincerely. Presidents Spencer and Nelson were with the Board of Regents when almost all of the present members came on board, and it just won't be the same without the two of them. He said the Regents regret the circumstances that brought about President Nelson's resignation. However, he is not surprised that President Nelson has retained the humor just exhibited by his remarks - it is characteristic of him. It is his belief, he added, that Dick Nelson has been an excellent president and has made significant contributions to education in Illinois - during and even before his presidency - and he does not expect that he will just drop out of the picture at this point. Mr. Murray said he had been very sincere when he stated that during the evaluation process at Northern it was unanimously agreed by everyone that President Nelson's attitude toward people serving under him - administrators, faculty and students - was one of kindness and humanity that perhaps may be, over the long run, one of the more valuable personal characteristics to have. The Board will miss him.

President Watkins commented that as the newest president in the System, he had been the recipient of unfailing kindness from both presidents, and for that he was very grateful. He will miss both of them.

Mr. Murray said he thought President Watkins' statement to be worthy of comment. The balance between the presidencies in a system is somewhat delicate, and he has always been gratefully impressed by the spirit of cooperation among the Regency presidents, and he admires all of them for that. It has been a pleasure for the Board to know that the Regency presidents and institutions, if not always in total agreement - were at least in a harmonious relationship.

The Chairman then called for a motion to appoint an Acting President for Northern Illinois University.

Mr. Resnik moved for appointment of Dr. William Monat as Acting President effective February 16, 1978, at his present salary plus an added stipend of \$400.00 per month in lieu of housing, and with all responsibilities and authority normally granted a president in the Regency System with the exception of the housing accommodations. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Mr. Murray congratulated Dr. Monat on his appointment, adding that the Board expects great things from him and is looking forward to working with him. Dr. Monat thanked the Board.

Mr. Murray said the following structure has been decided upon for the presidential search committee at NIU. Representing the Board of Regents will be Dr. Harry Wellbank as chairman of the committee, Mr. James Patterson, Mr. Michael Brady, Mrs. Eleanor Suggs, Dr. Franklin Matsler, and himself as an ex officio member. Additionally, there will be one person chosen by each of the five college councils from their respective colleges to represent the faculty. Representing the students will be two chosen by the Student Association and one graduate student chosen by the Graduate Council. Operating Staff will be represented on the committee by one person chosen by the Operating Staff Council from the operating staff. One person will be chosen by the Alumni Association to serve on the committee. Mr. Murray said that he is hopeful that these selections can be made within the next two weeks so that Dr. Wellbank will be able to get the committee together as soon as possible. The committee has the same charge as the SSU search committee - to proceed expeditiously to find a new president. He noted that the Northern committee is a little larger than he would prefer, but he hopes that it is equitable in the balance between faculty, students, Regents and others, and he is confident that all will work together to do the job well.

REPORTS TO THE BOARD

Board of Higher Education Actions

Mr. Murray reported that they were delighted at the last meeting of the BHE to receive approval for the student housing project at Sangamon State, and he would publicly compliment President Spencer, particularly, for his efforts to not only win over the Regents to the idea of housing at SSU, but to then win over the BHE and obtain the HUD loan. Also, he said, a substantial amount of the

credit must go to Dr. Goins, Vice President at Sangamon State. Mr. Murray said he must also publicly thank Mr. James Furman, Executive Director of the BHE, who candidly admitted to his board that he completely changed his mind and had "flip-flopped" on the question. Mr. Furman not only indicated that he had changed his mind, but also gave the project very enthusiastic and strong support. Perhaps what looked like a losing cause, Mr. Furman really went to bat for. The vote was something like 11 to 2 in favor of the housing project. In fairness, Mr. Murray said, he must add that he thinks the BHE feels strongly that the housing venture will be self-supporting and will not require state funds; and the Board of Regents is charged to follow through with that admonition. This was a significant decision on the part of the BHE as it relates to Sangamon State, and there is no commitment to building any more housing -- previously the feeling had been that there would not be any housing at SSU.

Dr. Keiser said he would add the institution's appreciation for the support of Chairman Murray and others. They did an excellent job of explaining the position of the System and the Staff, he said, and the vote would not have been as it was had it not been for the full support of the Chairman. Sangamon is grateful for that, he added.

Dr. Matsler noted that it was significant that the Governor did attend the meeting of the Board of Higher Education and shared with everyone some of his views relative to what he expects to support for higher education in terms of appropriations for the coming year. In the minds of some, Dr. Matsler said, the Governor has been generous; others think not. But, he said, there is a larger increment for the next year than we have had for the last four years at least, a \$79 million increase. This means that higher education is still about \$20 million shy for the coming year, if you compare what the Governor recommended with what was recommended by the BHE initially. The Governor indicated that he would like to hold salary increases to 8%, with an added 2% for lower paid civil service non-negotiated employees. Governor Thompson also indicated strong support for some additional money for the Retirement System to provide at least the necessary funds for the gross payout needed. Later this morning, Dr. Matsler said, Staff will be asking the Board to defer making a decision on tuition rates for 1978-79 at least until there has been an opportunity to speak with leaders in the legislature to see what the feelings are relative to a tuition increase. The budgets will also have to be examined to see what can be given up. For instance, he said, we already know that some of our programs will have to be deleted because of the Governor's recommendations. We also know that there will have to be some deletions in the price increases for equipment and library books. There also will be some deterioration in other line items. He said he is not prepared today to make any recommendations to the Board as to whether we should try to make up for this with a tuition increase. Staff will be looking at the budgets, the BHE recommendations, and talking with leadership to see what the sentiments are. It is an election year, he noted, and he has an idea that there may be a difference of opinion on the question of tuition.

Mr. Resnik said he would ask Dr. Matsler and the Staff when they are asking

for opinions from the legislative leadership, to also try to influence them to appropriate a bit more to the Regency institutions - if he feels these appropriations are merited, and he believes that Dr. Matsler does in some instances.

Dr. Matsler advised that Staff intends to write the appropriation bill with the total amount as recommended by the Board of Higher Education, but leave the income fund at the same level and try to make this up with general revenue dollars.

Would there be any particular effort, Mr. Resnik asked, to inform the leadership of our position and why we think some of these programs are believed to be advantageous to us? Yes, Dr. Matsler said, but students as a group need to do some of this also.

Mr. Murray noted that he had earlier commented to some of the Northern Star reporters that he had not seen much activity on their part on either the tax credit or on the increase in the scholarships proposed by the Administration. Perhaps they are doing something, he said, but this is an opportunity for the student associations and other groups to be effective with their representatives in Congress. However, perhaps they are already doing things of which he is not aware, but this is a chance for them to influence legislation. He would hate to see student groups involved in less significant matters and overlook these kinds of things.

Mr. Resnik said he would like to see more of an effort to support the Governor's position on tuition.

Mr. Murray said he could say to Mr. Resnik that the Staff has worked to the extent of its ability at this point in trying to influence the legislators and the Governor. The whole higher education system is working together. As some might be aware, he said, the University of Illinois continues to insist upon a 10% increase as opposed to the 8% recommended by the BHE, and he is not sure exactly where that will go, but everyone can be sure that our Staff is doing everything it can, and we are unified in agreeing with the BHE request as opposed to our initial request. Dr. Matsler and Staff are pushing just as hard as they possibly can.

Mr. Shuman said he would like to comment favorably on an action which, he understands from a report in the Norther Star, Acting President Monat took in asking that the budgets for the various colleges be based on 95% of the current budgets. As reported, this does not necessarily mean that a department will receive that amount, but the request was asking for reductions to be made in ways other than salaries and other essential programs. The request was for a search to be made for areas where economies can be made. Mr. Shuman said he believes that we could exist and go ahead with necessary salary increases and other essential services if we made a really sincere effort in each of the universities to reallocate and reduce where it can be accomplished without hurting essential programs. He believes that the budgets can be cut by at least 5% in all three of the universities, and we would have better institutions. There are a lot of places we can trim, and if we don't, we will start having salaries

and everything else penalized more than ever. This is one of the keys to holding tuition down, and one of the keys to increasing salaries in accord with inflation increases. Mr. Shuman said in his opinion we have not yet had a real tight budget from any of the three universities.

Joint University Advisory Committee

Mr. Koltun, Chairperson, introduced a new student member of the committee from Illinois State University - Ms. Marjorie Butz, a senior majoring in Political Science - and welcomed her to JUAC.

Mr. Koltun reported that the committee did meet the preceding evening at Clayville and were joined by Drs. Groves and Floyd from the Central Staff. The committee considered sections of the Executive Director's Report in detail and he would comment on them. Regarding Section XI of the EDR which proposes an amendment relative to the authorization of faculty and administrative positions, JUAC would like to commend the Board for its attempt to monitor administrative overhead. There was some concern as to whether the regulation regarding re-allocation of positions internally might threaten existing faculty positions, but the committee decided that it would not, and recognizes the need for the administration to remain flexible in periods of tight budgets. There was some concern expressed about the possible elimination of faculty positions by switching to administrative positions, and they feel that this particular regulation will provide some supervision of this.

The Committee, Mr. Koltun reported, would also like to go on record as being in favor of Section XII of the EDR which is an amendment to Board Regulations to provide for the transfer of sick leave. JUAC believes this to be an appropriate suggestion.

Mr. Koltun said he thinks it is unfortunate that the Board has decided to eat both breakfast and luncheon in the President's Conference Room. It has been two and a half months since the Board last met, he said, and since last July since it has met on the SSU campus. The Committee misses the opportunity to meet with the Board and talk with members, to have them be visible, particularly in this instance when there has been a resignation of a president since the Board was last on campus. There is a particular interest in the members of the Board who will be on the search committees, to meet with them and explore their educational philosophies. This is impossible to do when the Board is tied up in lengthy meetings and eats its meals in private. It would be desirable, Mr. Koltun said, to have more interchange, at mealtimes at least.

Mr. Murray said he thinks Mr. Koltun is correct about the decision to eat meals together, and he is inclined to agree with him. He has talked with Dr. Matsler about this, he noted, and the reasons the decision was made to schedule it this way were valid. However, in the future they will try to do this as much as possible.

EXECUTIVE DIRECTOR'S REPORT NO. 94

Before presenting his Report, Dr. Matsler said he would call attention to a situation which is now occurring in Illinois which may be of interest to faculty and staff concerning the way in which our retirement monies are collected. He said he had recently received a letter from Mr. Ed Gibala, Executive Director of the Universities Retirement System (of which Mrs. Suggs is a member), indicating that there is a strong possibility that the State can legally pick up the 8% contribution which each employee makes and have it tax sheltered. Everyone is very much interested in seeing if this can be done. There are problems, he acknowledged, and the proposal has been referred to legal counsel in each system. There is some feeling that we might run into a problem of due process, perhaps, where some faculty member may have already a maximum amount which is tax sheltered under the law. We do not know if this would be an additional add-on or not, and perhaps a TIAA program would have to be cut back. It is the feeling that some input from the faculty should be sought. But it is a good proposal, he said, and should be looked into. Dr. Matsler said he must warn, however, if the Board decides to move in this direction, that the action will have to be taken for all employees, not just for some. This is just presented as an information item today, he added, since there has not been sufficient time to obtain opinions from legal counsel. The matter will be returned to the Board as soon as possible.

Mrs. Suggs said this had been discussed as an information item at the last meeting of the Retirement System. Almost universally each representative had similar kinds of concerns. It will be brought up again after opinions are obtained and individuals who will be affected have an opportunity to provide some input. The matter will be presented only when the Retirement System has positive reactions from the systems it serves.

Mrs. Suggs advised that there is also another area pertaining to our investments that we should keep a close watch on - that is whether the state legislature will attempt to dissolve our present Retirement System and involve us in a state investment board. This board consists not only of the Teachers Retirement System, but also the systems for the legislature and the one for all other state employees. For the first time, Mrs. Suggs advised, the Harris Bank has presented the Retirement System with a volume of investment policies and performance in one package. She will be making a request, she added, that this be made available to our system heads.

Mr. Murray asked if Dr. Matsler was talking about the 8% contributed by the employee, or the contribution by the State. He was referring to the 8% contributed by each employee, Dr. Matsler replied. It is just coincidental, he said, that the 8% which is the employee contribution is about the same as what the Governor is proposing as increases for the coming year. Dr. Matsler said he does not know as yet when this would take effect, and he is not sure that anyone else does. The details have not been worked out.

Mr. Murray asked if this contribution is taxable now. The employee's contribution is, Dr. Matsler said, but the State's is not until the time an employee retires and the employee's contributions have been exhausted through a retirement annuity.

Section I - Annual Report to the Board of Regents

Rather than review the entire report with the Board, Dr. Matsler said, he would simply list the areas covered: Civil Service Step Plan and Administrative Salary Plan; Federal Activities; Legislative Overview; Enrollments; Legal Matters; Fiscal Support; System Auditor; Board of Regents Self-Evaluation; Academic Planning and Program Actions; Faculty Evaluations; Library Reports; Collective Bargaining; Affirmative Action; and Miscellaneous Reports to the Board.

Ms. Welander said she noted in the Report that the Board is happy to think that it is treating its student members well by being a forerunner in providing them with an advisory vote; and she wonders if the Board would like to be a forerunner in giving them a full vote.

Dr. Matsler said he does not know what the sentiments are on this in the legislature, but at the last hearing he attended, it appeared to him that there was not very much sympathy toward giving student members the right to vote. He said he did not testify at that time. Probably, he said, it would be up to the students to secure such a change in the law, rather than to ask the Staff. However, he said, if he should be directed by the Board to do this, of course he would.

Mr. Shuman said it is his opinion that the Board should take no position on this question. This is entirely up to the legislature. This board is a creature of the General Assembly, and this is an area in which we should not try to influence it. If they want to change it, that is up to them.

Mr. Resnik said it is important for the Board to understand the position of the students - essentially their argument is that this is taxation without representation, and with taxation being tuition and representation the right to vote.

This issue has been before the Board before, Mr. Murray noted, and while he could see the point of the students, at this time he would like to move on with the business before the Board.

The Chairman thanked Dr. Matsler for the expeditious way in which he outlined his report and for the manner in which it was prepared. It is very interesting, he said, to see what the Board has done through the past year.

Section II - Quarterly Change Order Report

Dr. Matsler submitted a report as required by Board Regulations summarizing the number and amounts of construction change orders approved for Regency

University projects during the second quarter of FY78. All change orders have been reviewed by the Staff for approval, and appropriate action has been taken. He noted that hereafter these items will be included in the Presidents' Reports.

Mr. Shuman asked what is the Office of Residential Life at ISU. Mr. Beahringer advised that this is a dormitory building which has been converted to a student housing office, and this is a project to expand and make it larger. This is quite a bit of money for an office, Mr. Shuman commented. Dr. Matsler suggested that he would have a letter of explanation prepared for Mr. Shuman, including how the Board actually passed on the project.

Section III - Semi-Annual Report of Investments

The Bond Resolutions authorizing the University Facilities Revenue Bonds Series of 1970-70A of Illinois State University require a semi-annual report of the market value of all investments held in the bond account, the bond reserve account, and the reserve account. The Resolutions further provide that the market value of such investments shall not be less than the sum required to be held in each of the three accounts. Dr. Matsler presented a summary of the investments and other assets as of December 31, 1977.

Section IV - FY79 Capital Appropriations Request - Summary of BHE Recommendations

Dr. Matsler directed the Board's attention to Table 6 on page 29 of his Report, containing a list of the Regency System capital projects as they appear in the statewide priority lists as recommended by the Board of Higher Education. It will be noted, he said, that Nos. 2, 3, 7 and 9 are priority numbers given to some of our projects as they compete with other projects in the State. The Board of Higher Education established the criteria to determine just how they would rank the projects: projects recommended in FY78 and still high on institutional priority lists; remodeling projects, especially SR³ including safety handicapped projects; energy conservation projects; and funds to complete projects already underway.

Mrs. Suggs asked why, with escalation of costs being so high, land acquisition was so low on the priority list.

Dr. Matsler said we would all like to see this as a higher priority, but land is not as important as, say, Wirtz Hall or Equipment. He noted that land is ranked No. 118 on the list, and the Board could see by moving to the column on the far right of the table that the statewide cumulative total at that point would be \$89 million plus. We will be lucky to get \$50 million in capital requests for the state. If there is to be \$54 million available, then we would get down on the list to our Handicapped Code project. It is highly unlikely that we will get down to Land.

Ms. Welander asked why the energy conservation projects are listed twice, with one ranked quite a bit higher. What is the difference in the projects, she asked.

Dr. Matsler noted that there are three such projects: No. 9 at ISU, No. 41 at SSU, and No. 78 at SSU. That project was split, Mr. Beahringer explained. When the list was put together, the BHE said those projects were of some importance and wanted them high on the priority list. However, some of the projects were in total dollars more than they could put high on the list. So at all of our schools the handicapped, the safety, and energy conservation projects were split into two projects - part of them high and part low. Those higher on the list will be funded, while lower will not be funded this year. It was a choice of part or nothing at all, he said.

Section V - FY79 Operating Appropriations Request - BHE Recommendations

Dr. Matsler said he would not go into great detail with this summary, noting he had already indicated that it looks like we will receive 8% in salary increases. There are some problems in finding money for equipment, library materials and utilities. There is more work to be done with the budgets in these areas. The charts included in the report, he said, have been prepared largely to make public the information. Also, Staff uses them as a way of furnishing detail to legislative staffs.

Section VI - NIU Ombudsman

In September, Dr. Matsler said, the Board directed the Staff to make a study on the need for the Office of Ombudsman at NIU. Ms. Ellen Schanzle-Haskins of the Central Staff prepared this report and he would ask her to simply give the conclusions of her study. Staff is making no recommendation to the Board, he noted.

Ms. Schanzle-Haskins thanked those individuals who helped in her effort to gather information for the report. She said it would be seen from the survey she made on campus that everyone is pretty much in accord that the Office of Ombudsman is absolutely necessary and should be continued. As would be noted from her conclusions, there are some questions as to the evaluation process for the Office and whether there should be guidelines as to the duties; however, she said that the questions raised were raised by very few of the people with whom she had talked. They are in the minds of some. It was her feeling and that of other members of the staff that these questions are internal matters and should not be considered by the Board Staff so much as the feasibility of continuing the office. There is consensus at NIU that the Office should be continued and is very much needed.

Mr. Murray said that while he had found the report somewhat reassuring, he still has a sincere question of whether we do need to fund the Office of Ombudsman when we are talking about saving dollars to be used for educational purposes. He would think that this is one place we would be able to cut without a real loss.

If the job can't be taken care of by people on the university staff, some changes could be made there. Mr. Murray said he was not about to make a motion that we do away with the position, but he certainly thinks whoever the Ombudsman is, he or she should be subject to some kind of evaluation on a regular basis. If they can't do this at the campus level, he said, then perhaps the Board ought to do it.

Mr. Shuman said he is in substantial agreement with Mr. Murray. In addition, he said, he thinks in a sense this type of office and function lets administrators off the hook to some extent. Let the people who are unhappy focus on those who are responsible and can make changes, rather than on a "fifth wheel". However, he said, the report was a good one and he would not offer any other action.

Dr. Matsler advised that there will be a report from the university as to the selection process used for filling the Office, which the Board had asked for. He said he had not talked with the President about a date for such a report, but it probably will be in early spring.

Ms. Schanzle-Haskins said it was the opinion of a number of administrators with whom she had talked at NIU that considering the actual cost of the office - which is not very extensive - the Ombudsman cuts down and is actually economical. The fact that an Ombudsman is present and people can go to him and find ready solutions without having to go around to several different offices seems to be an economy measure. That is the opinion of some administrators on campus.

Mr. Murray said he is interested in the report from the standpoint of cost. What does the position cost in salary, administrative services and support?

Ms. Schanzle-Haskins said it costs approximately \$30,000 a year.

Mr. Murray said he did not question the sincerity of Ms. Schanzle-Haskins' feelings, or those who are served by the Office, but obviously it is not a necessary job or Illinois State could not get along without one.

ISU does not have the position, per se, Ms. Schanzle-Haskins said, but it does have an office which serves the same function. Ms. Theobald advised that they have a Student Judicial Office at ISU. President Watkins said he does not think that this is directly comparable to the Office of Ombudsman at NIU.

Mr. Resnik said most of the students and staff he heard testify would be in disagreement with Mr. Murray. They think that the office is essential and ameliorates a great many problems.

President Nelson commented that as a top administrator he had found the office to be helpful, in that if a service department was not functioning well and complaints were made by students to the head of that department who might be trying to cover up and be protective, this would delay the administration from finding out about it. The Ombudsman is an objective observer who records the number

of complaints and the administration is able to get a feel of where it had better be directing its attention.

Mr. Murray said he can understand that but, without being critical of Northern, he would rather see the problems taken care of by the recalcitrant administrator, rather than have a watchdog for him. That is his general attitude, he said. However, he was talking more in terms of trying to cut costs for non-essential services.

Section VII - Amendment to Board Travel Regulations

Dr. Matsler presented for first reading some proposed amendments to the Travel Regulations which generally are intended to modify existing language to agree with Travel Control Board regulations or, in a few instances, to reflect more restrictive procedures; to remove from existing regulations any references to items of a "non-travel" nature; or to clarify existing language.

Staff anticipates that these will be presented in March for Board action.

Section VIII - Board Regulation: Reimbursable Business Expenses

Dr. Matsler presented for first reading a proposed Board Regulation which would provide for use of contractual services and appropriate line items for certain kinds of expenses which used to be paid out of Travel. Also included are some prohibitions which are not related to travel costs.

Staff anticipates that the proposed regulation will be submitted to the Board for action in March.

Section IX - Report on Units of Instruction Below the Level of a Major

The Board would recall, Dr. Matsler said, that a few months ago Dr. Martin asked a question as to what constitutes a concentration, an emphasis, a sequence an option, etc., and why we could not go back to the days when all we had was a major or a minor. Dr. Groves has developed the report which does a fairly good job of trying to support the use of these terms. We must remember, he said, that there is more specialization today, and it seems to him that the use of such terms - as pointed out by Dr. Groves - is extensive throughout the country. He said he is not sure that he would want to change the existing practices that we have but, on the other hand, Staff is glad to try and explain the use of the terms. Dr. Groves would be glad to answer any questions the Board might have, Dr. Matsler said.

Ms. Welander said she thought the report was nice to have as a glossary, but from what she understood at the last meeting, questions were raised as to the ramifications of becoming so specialized; and she sees nothing dealing with that in the report.

Mr. Koltun said this was discussed the previous evening by JUAC, and he would

not say that they supported it, but they did jokingly talk about preparing a quiz for Board members on what exactly the terms mean.

Mr. Murray said he believes Ms. Welander's question was directed at the ramifications of specialization in education.

Dr. Groves said these must be looked at on a case-by-case basis. It looks like we are really going to a horrendous level of specialization, however, in fact, the situation has not really changed all that much. In many instances in which we are breaking out to identify a specialization or concentration, or whatever, it is simply to give a level of identification to a unit already in the curriculum, already substantially developed, and which is consistent with an existing major. In lots of instances, Dr. Groves said, the change is not nearly as great as it might seem. He said he thinks it is appropriate that the Board question the ramifications of specialization, however. In the case of a couple of such programs, for example in Safety both at ISU and NIU, the Board had real questions about whether we were going too far in the area of specialization. There are no easy answers, he acknowledged. But as indicated in his report, there has always been an element of specialization in higher education curricula, and it is a question of how far you go at any given time in any given direction. To a considerable extent, it is a matter of responding to conditions, expectations, and the like. This is always something that we must keep in mind, and it is appropriate that we should concern ourselves with this. What are the ramifications of specialization? Carried to the extreme, specialization would mean that your curriculum has no kind of focus whatsoever, and what we would be doing is training people in little employment cubbyholes without any common element of an educational experience. That would be unfortunate. On the other hand, specialization is not necessarily an evil, per se, and it is desirable to have some element of it simply to provide students with choice.

Ms. Welander referred to the statement in the report stating that "universities and their academic departments have been able to respond to aspirations for specialization without seriously eroding the established academic organizational structure". That may be true, she said, that the structure is not changed, but does that mean that you have not changed what is academic and what is not? What concerns her is that some of the learning is taken into skills and some is taken into more of a way of developing a mode of thought or a way of approaching the world and making rational deductions. She wonders if education is getting pushed into the condition of just being a job skill training center.

Dr. Groves said he does not believe that we have reached that point, but there is danger of going too far. Also, he said, this is a matter of individual perspective. Some would say, for example, a specialization in Safety is going too far, and that a major by all means is going too far. Others would say it is a meaningful accommodation to new positions opening up, a new field with genuine content that can provide some opportunities.

There are no easy answers, Dr. Groves said, as to where the line is drawn. We must constantly keep this in mind and examine each proposal on its merits. That is a major reason for bringing these proposals to the Board of Regents.

Mr. Shuman said he had read through the report and had some difficulty separating out the language to find out what is meant. He asked Dr. Groves if the conclusion is that if the consumer demands a specialized product, we should give it to them. Would that be a fair summary of the report?

No, Dr. Groves said. It must be remembered, he said, that 95% of these start with the faculty in the universities. In response to consumer demand, Mr. Shuman suggested. That is a major reason, Dr. Groves said, but not the complete motivation.

Dr. Martin said he thought Dr. Groves had come up with the other side of an argument that he would make on this score. It is not a matter of specialization vs. more general education, but rather a question of how we give students choice. Are our universities prepared to work with students to work out programs on an intelligent basis, or simply present them with several pre-packaged choices and say they can pick one, but that we are too busy to work out a program that fits an individual's interest. Dr. Martin said that is one of the objections he has to this whole approach. However, he said, he did appreciate the report because it did clarify the fact that we call essentially similar things by different names on different campuses.

Dr. Martin then moved that the report before the Board be laid on the table to be picked up at another time when there was not quite as much time pressure. The motion was seconded by Mr. Resnik.

Dr. Wellbank said whenever this is reconsidered, the Board will be rehashing all of the arguments going clear back to Socrates.

Dr. Matsler said Staff would bring the report back with added information to speak to the concerns expressed about the ramifications of specialization. Perhaps this can be done in early spring. Mr. Murray suggested that JUAC be invited to put into more concrete terms their reactions. This goes back to the old argument, he said, of a liberal arts education vs. a more technical one.

Ms. Theobald said she believes it also goes back to some good academic advisement. Possibly part of the problem lies there - in students being able to find out what they need to get into their area of interest. Some time she would like to see this Board discuss at length just exactly where our universities should be going within the system, instead of just "fire-fighting" along the way. Ms. Welander asked if it would be appropriate for her to submit a paper on this. Student input is certainly invited, Mr. Murray said, because everyone is distressed at how many educational hours are wasted or how many careers are postponed because of unwise choices. Mr. Resnik asked if the Board would deal with this during the tenure of the present student members. Dr. Matsler said it would be done in early spring.

The question before the Board was called for a vote, and the motion carried unanimously.

Section X - Additions and Deletions of Units of Instruction, Research and Public Services

Dr. Matsler presented an information report on units of instruction, research and public services which were added or deleted by the Regency institutions during 1977.

Section XI - Board Regulation Amendment: Authorization of Faculty and Administrative Positions

Dr. Matsler presented for first reading an amendment to Board Regulations having to do with authorization of faculty and administrative positions. He presented the proposed added language:

Once authorized, departmental faculty positions may be reallocated from one department or similar academic unit to another without prior approval of the Board. The Central Staff, in consultation with the universities, will determine annually how many departmental faculty positions have been previously authorized for each university.

Board approval must be obtained before a university significantly alters the title, duties or reporting responsibilities of an administrative or other non-departmental faculty position. If an administrative or other non-departmental faculty position is not listed in the university internal budget for three consecutive years, its authorization shall lapse and the position may not be filled thereafter without prior Board action to reauthorize the position.

Dr. Matsler advised that the language in the proposed amendment has been worked out with the appropriate vice presidents on campus. Staff intends to present the amendment to the Board for action in March.

Dr. Keiser commented that the language in the first sentence of the last paragraph appears on the surface to be a little intrusive, in the sense that if this includes non-departmental faculty below the level of dean - such as admissions officer and other positions pretty far down the line in the structure - it would pose a problem for some of the kinds of routine reorganization decisions they have been able to accomplish on campus. He believes, he said, that there should be a level drawn, because the proposed language would include a large number of administrators or non-departmental positions.

President Watkins said he would support that view also. He understands that Staff is trying to prevent a reorganization that would result in vice presidencies that did not exist before or deanships, etc., and he agrees that this should be monitored.

This was the understanding in all of the discussions, Dr. Matsler said, and it can be clarified and addressed before bringing the amendment back for action.

President Watkins noted that they had recently had a reorganization on campus that should prove cost effective, wherein a supervisor of parking left the employ of the university and the decision was made to absorb the duties in another way and not reappoint to fill the position. If they had had to get this kind of clearance before acting, it would have slowed down the opportunity.

Dr. Charles Hicklin said since JUAC did respond originally to this, he would like to speak to the matter. The Committee was not trying to intrude on administrative changes, but in the past there have been cutbacks and certain people have been taken care of by administrative appointments at the level being discussed now, i. e., assistant dean, assistant to the assistant dean - people who should have in fact been released, but jobs were created for them. Faculty, Dr. Hicklin said, has an interest in this sort of thing in any reallocation so that new administrative positions are not created to take care of persons who would otherwise have been released. This is the concern of faculty. You cannot reallocate money if new positions are created. JUAC feels that the Board would be wise to keep a surveillance of this. This same thing happens in school boards across the country, Dr. Hicklin said, when teachers are released and some are put on administrative jobs. Consequently, overall costs are higher.

Mr. Murray said he assumes that he is expressing the sentiment of at least some of the Board when he states that he is in general agreement with what Dr. Hicklin has said - provided that we do not make it too difficult for administrators to act. Mr. Murray asked Dr. Keiser whether it is the principle or the time factor or the detail to which he objects. Dr. Keiser said both - it is a matter of what value you put on administrative judgment, and upon occasion it is a matter of time.

Dr. Matsler said he is sorry that this was not worked out a little better, but he had thought there was agreement with the vice presidents. One of the problems is where the line is drawn. He said he would like an opportunity to go back to the institutions and discuss this further to see if some agreement can be found before bringing it back to the Board for a decision.

Mr. Murray suggested that Staff might bring in alternate language for a choice by the Board.

Section XII - Board Regulation Amendments: Transfer of Sick Leave

Under present regulations, Dr. Matsler said, faculty and administrative employees transferring employment between systems in the State are not allowed to transfer sick leave, but instead may "bank" unused leave with the Universities Retirement System in order to receive service credit at time of retirement. The Benefits Advisory Committee for the Regency System has recommended that our Board Regulations be amended to allow such leave to be transferred in the same manner as for civil service employees. Dr. Matsler said he has been reluctant to present this to the Board because the other systems have not acted on the matter formally; however, he is of the opinion that this would be an appropriate amendment to propose at this time. Staff anticipates

that the amendments will be presented in March for Board action.

Mr. Murray inquired into the reason for the amendments. Dr. Matsler said it would help in recruiting, particularly for persons to fill second or third level administrative jobs. Dr. TenBoer, Chairman of the Benefits Advisory Committee, added that this same reasoning applies to seasoned faculty. For example, he said, a faculty member at the U. of I. may not want to give up his accumulated sick leave to take a position in one of our institutions. The individual may, of course, bank his leave with URS, but the proposed amendment would eliminate that necessity.

Mr. Shuman said this would work in reverse as far as recruitment goes. Mr. Murray noted also that once all of the systems adopt such a proposal it would lose its effectiveness. He suggested also that if we are going to move in this direction we should not adopt a system that is more generous than our own. Dr. Matsler said he had discussed this with other systems heads and inquired into their plans, and while they have no immediate plans to change, they have no objection.

Section XIII - BHE Actions on FY79 RAMP Program Requests

Dr. Matsler presented a list of programs approved for the Regency universities by the Board of Higher Education at its December meeting, as well as those on which action was deferred pending additional discussions or Commission of Scholars review in the case of doctoral programs. He said either Dr. Groves or Dr. Floyd would be happy to answer any questions the Board might have.

Dr. Martin said he continues to be concerned about proposals formally approved by the Regents and sent to the BHE being lost in the shuffle, in the formal sense. Noting the statement in the report that on those programs which were denied approval this year and are not under further consideration, the staff of the BHE did not explain in detail why they were denied approval, etc., Dr. Martin said he thinks that this is an insult to this Board. He said he would recommend to the Staff that they seek a written explanation from the BHE any time a program is deferred or rejected. If the BHE staff refuses to do this, Dr. Martin said it seems to him that this Board should consider a formal request to the Board of Higher Education. This to him is not an appropriate way for one public body to deal with another.

Dr. Matsler said he would subscribe to Dr. Martin's statement, however, he would add that Staff is trying to get these answers. There is also some negotiation going on. Sometimes deferrals are recommended and as Staff continues talking with BHE staff, there are some changes that can be made. If Staff thinks decisions can be changed, it does not press for formalized answers as much as it would in other instances.

That's fine, Dr. Martin said, but if they are just ignoring our requests or not coming up with reasons that cannot stand public scrutiny, that is unacceptable.

Dr. Groves said it is to our tactical advantage, as a general matter. There is discussion going on on some of these programs with the BHE staff, and this keeps the door open for future years, or even perhaps this year.

Section XIV - Tuition

Dr. Matsler said Staff had intended to bring to the Board a recommendation relative to tuition levels that should be established for the 1978-79 year. However, there is still an unclear situation in the legislature, and Staff did not wish to ask the Board to increase tuition today by, say, 6% or the BHE amount of \$52.00, and then have the legislature refuse to appropriate the money out.

Due to differing positions taken by the BHE and the Governor, and since the stance of the legislature is still unknown, Staff recommends that a decision on Fall 1978 tuition rates at the Regency Universities be deferred to a date no later than June 15, 1978.

Dr. Wellbank moved for approval of the Staff recommendation. The motion was seconded by Ms. Welander, and it carried unanimously.

Section XV - Board Regulation Amendment: Not-for-Profit Corporations

In order to clarify the relationship between the Board of Regents and not-for-profit corporations, Staff presented proposed amendments to Board Regulations with a recommendation for approval. The regulation would read as follows following approval:

1. GENERAL STATEMENT

In order to further the educational objectives of the Regency Universities and the Regency System, separate not-for-profit corporations, wholly charitable and educational in nature, may be established under the "General Not-For-Profit Corporation Act" of Illinois. For the purposes of this regulation, not-for-profit corporations shall be defined to include only foundations. It is recognized that these corporations are legal entities, distinct and separate from the Board of Regents, over which the Board does not exercise control and for which the Board has no legal responsibility.

2. LIAISON BETWEEN BOARD OF REGENTS AND CORPORATION

The Presidents and the Executive Director shall be responsible for liaison between the Board and the corporation.

3. CONTRIBUTIONS INVOLVING COMMITMENT OF RESOURCES

The Board of Regents shall not be committed to the use of university resources for the operation, maintenance, and/or administration of a contribution without formal action.

Mr. Shuman moved for approval of the proposed amendments. The motion was seconded by Mr. Resnik, and it carried unanimously.

Section XVI - Grants and Contracts

1. Illinois Regional Resources Center -- NIU

Dr. Matsler noted that a full description of the contract for the Center had been mailed to the Regents in advance of the meeting. Staff recommends that the Board approve the contract between NIU and the U.S. Office of Education for the Illinois Regional Resources Center.

2. Grant for Research in Immunogenetics of Tumor Related Alloantigens -- NIU

The proposal for the grant from the National Cancer Institute had been mailed to the Regents, Dr. Matsler advised. Staff recommends that the Board approve the grant.

President Nelson noted that both grants are recognition of the high standard of work done at Northern.

Mr. Murray said he noticed the statement that the university will provide a small in-kind contribution, and he would like a little more detail on this - how much we will be furnishing over the life of the contract with the Office of Education.

President Nelson said his recollection is that Dean Heald had been able to use some of the resources in the college without asking for any extra money. Dr. Martin suggested that it might be a salary being paid anyway, or the use of facilities.

Mrs. Suggs moved for approval of both proposals as recommended by Staff. The motion was seconded by Ms. Burns, and it carried unanimously.

The Board recessed for luncheon at 12:30 p.m. and reconvened in public meeting at 1:30 p.m.

Section XVII - Board Regulation Amendment: Grants and Contracts

Dr. Matsler presented for first reading a proposed amendment to Board Regulations which would provide some flexibility on the part of the universities to move with a contract prior to coming to the Board for formal action. The proposed amendment would add the following language to that Section of the Board Regulations:

If the acceptance requirements of a funding agency allow insufficient time to gain Board of Regents approval of a grant or contract, the university may accept the award pro-

vided the project has received the prior approval of the Executive Director. In such a case the project shall be submitted to the Board at its next regularly scheduled meeting for final approval.

Staff expects to present the amendment for Board approval at the March meeting of the Board.

Section XVIII - New Programs

Dr. Matsler listed the new programs being submitted for approval by the Board. All have been reviewed by Central Staff and are recommended for approval.

1. Bachelor of Science Degree in Anthropology - NIU
2. Bachelor of Science Degree in Speech Communication - NIU
3. Minor in Comparative Literature - NIU
4. Minor in Public Relations - ISU
5. Emphasis in Translation and Business Spanish within the Bachelor's Program Major in Spanish - NIU
6. Minor in Religious Studies - NIU

Mr. Shuman moved for approval of the Staff recommendations regarding the new programs. The motion was seconded by Ms. Burns.

Dr. Martin suggested that the Board hold off on approval of two of the programs - one is a degree, and the other an emphasis. In relation to the B.S. Degree in Anthropology, he said, he thinks we have a serious problem of proliferation of degrees, and it may be the judgment of the Arts and Science faculty at Northern that they want to keep the distinction that a B.A. degree requires some kind of foreign language, but that is really not necessary. There are many distinguished colleges and universities that award the B.A. degree allowing a student to substitute some demonstration of skill with statistics or some quantitative language rather than a foreign language. What he is trying to say, Dr. Martin continued, is that he questions whether it is necessary to make this distinction and just add to the endless list of degrees that are offered and cause confusion. Anthropology, he said, is a subject that usually leads to a Bachelor of Arts degree.

Dr. Martin said he would like for the Board to defer action on the Emphasis in Translation and Business Spanish until we have a further discussion about all of these units less than a major or a minor. He asked Mr. Shuman if he would be willing to entertain his suggestions as a part of his motion.

Mr. Shuman said he had already raised some questions on this, but Dr. Matsler had calmed him down. Perhaps the simplest way to handle this, he said, would be for him to withdraw his motion and permit Dr. Martin to make the motion the way he wants. Ms. Burns agreed to the withdrawal of the motion.

Dr. Martin then moved for approval of program proposals 2, 3, 4 and 6. the motion was seconded by Mr. Resnik.

Mr. Brady moved to amend the motion by adding back proposals 1 and 5 for approval. The motion to amend died for lack of a second.

The question before the Board was called, and the motion carried unanimously.

Mr. Brady then moved for approval of proposals 1 and 5 under New Programs. The motion was seconded by Mr. Murray.

Dr. Matsler said Dr. Monat might wish to speak to this, but he said there may be some question of timing in terms of commitments on campus and putting together the catalogs. Quite a few decisions have been made, he noted, and a flat-out disapproval of these will not make or break us, but some of the decisions that have been made should be addressed as to what effect disapproval might have, or even deferral until the next meeting of the Board.

Dr. Monat said fortunately there is a Professor of Anthropology in the audience, Dr. Salovesh, who might wish to speak to the matter of proposal 1. However, he said, the proposal to approval a major in Anthropology at the B.S. level is really only carrying along what has been done in every other social science. There are B.A. and B.S. degrees in Economics, History, Sociology, et and faculty thinks it is appropriate for Anthropology as well. Perhaps, he said, it is just unfortunate that this particular one came at this time.

Mr. Murray asked Dr. Monat to comment on what the problems might be if the proposal was deferred. The major cannot be offered for 18 months if it is not approved now, Dr. Monat said, because it will not be in the catalog.

Dr. Salovesh said they had been talking about this request for several years. Faculty feels that there are a number of fields in which they want to see students very well prepared, and when it is directly appropriate to their specific training in Anthropology, this would call for a number of students having to take a number of extra hours in Math and in the Sciences. In addition faculty looked at the standard practice in the College and found the only way they could manage, somehow or another, to reduce this burden on some of the students - not placed on others - was to petition for a B.S. degree so that those students could be excused from a foreign language requirement. Faculty is not happy in doing so, Dr. Salovesh admitted, because they feel the foreign language requirement is there for a good reason; but in balancing out individual programs, they could not make it work in specific cases unless they had the B.S. degree available. They felt that given the policy of the university and the College of Liberal Arts and Science, the only way was to propose a B.S. degree as every other social science department has done.

Mr. Shuman said he is torn on the question. Generally he believes in the market system and giving customers what they want but on the other hand, it seems a little ridiculous if they want to have a different makeup of courses to

say that they must have a separate degree. Why not just give a Bachelor of Arts and Science in one degree?

Dr. Martin asked Dr. Salovesh if he thought it would be inappropriate if the college rules were changed to award a B.A. degree to a student who completed a course such as he had just described. Is there something sacrosanct about this?

Dr. Salovesh said he was sure there is not. The problems, however, in advising and making sure that a student's program makes sense would be multiplied tremendously. As it now stands, the average student does not need individual approval of his program because if he follows exactly what is printed in the catalog and meets course requirements, he will graduate. Some kind of program would have to be instituted whereby program approval, semester by semester, might have to be instituted - if there were to be six different equivalents, six different ways of arriving at a degree. This would probably increase the administrative burden tremendously.

Dr. Martin asked if the distinction implies that the Bachelor of Science program is somehow inferior to the B.A. program.

No, Dr. Salovesh replied. That was one of the things which came before the committee when they were discussing this request. They did check and found there are B.S. degrees in Anthropology awarded by many institutions - from the University of California to SUNY.

Why would a college take the stance that statistical skills are not equivalent to a foreign language skill, Dr. Martin asked.

Dr. Salovesh said he would submit that this would be a question for an archaeologist. This has just been a rule for a very long time. A B.A. includes a foreign language and if a substitution is made, it is done under the B.S. This is traditional.

Dr. Martin said he would submit that this verifies his position, and the Board should question this archaeological artifact that does not seem to have any other rationale.

Dr. Matsler said what we are doing may be a bit more serious than we realize. Traditionally, the curriculum is really the responsibility of the faculty, particularly when you get into matters of this nature. The Board does have the authority to approve or disapprove programs, and it should have. But we should act with a sense of responsibility. In this instance, the Board would be taking action on something with which everyone is in sympathy, including Dr. Salovesh with his comments about the archaeological aspect. But if the Board were to take action against these two programs now it might be doing something rather suddenly without very much forethought. Dr. Matsler suggested it might be better to ask the faculty to come in with a better rationale as to why the B.S. vs. the B.A. Rather than to lash out at this program today, should we

not simply request that information? We might ask Dr. Monat if it would be possible to have a faculty presentation to the Board as to why there are these differences, Dr. Matsler suggested. If we pick on the Anthropology program, we are being discriminatory, and that is not appropriate.

Mr. Shuman said he is in sympathy with that, but as he understood Dr. Martin's comments and discussion, it was not directed to the curriculum for which the Board has assigned responsibility to the faculty. It was toward the granting of degrees, and the Board does have that privilege. He understood Dr. Martin's opposition was to granting two different degrees when there is only a minor difference in the curriculum. It seems one degree should be flexible enough to award to those who do have a foreign language and to those who do not.

Dr. Salovesh indicated that that cannot be done under existing procedures, Dr. Matsler noted.

Dr. Monat said he would agree with the approach suggested by Dr. Matsler - that the appropriate action would be to request the university to examine the premises underlying the distinction between the degrees. This will be a good educational step, he added. But to single out one degree and say, "No", when you have said "Yes" to others creates problems on the campus over the issue of faculty prerogatives.

Mr. Murray agreed that it would be a mistake to single out this one program, when the problem is different.

Dr. Martin said it seems to him that we have a case in hand, and if we just talk about this abstractly, it loses its vitality. If the Board has approved these before, without raising these questions and asking for a better explanation, that is no excuse for doing it again. If we have a specific case in hand, we can make a better law than by talking about something abstract. This is an issue that is hard to get a hold on.

Mr. Murray said he does not understand how denying this program will have any effect on other programs. As we talk about this particular one, Dr. Martin said, we can discuss the whole issue. At this point he is not raising the question of whether we ought to wipe out the B.S. programs in the social sciences, but that might be something to ask faculty to think about. What he is asking is, do we really want this? Personally, he does not think it is a good idea, and he would urge that position on other members of the Board.

Mr. Shuman then proposed a substitute motion to defer action on the two programs and ask Staff to solicit from the University some further discussion as to the importance of the two actions. Dr. Martin seconded the motion.

The consequence of this, Dr. Monat said, if approval were to be granted at the next meeting after a further explanation, would be that the programs cannot be offered for a year and a half, because they would not be in the catalog.

Dr. Monat said the issue this particular proposal raises is one that warrants examination on campus by the faculty -- the necessity, because of the requirements for the Bachelor of Arts, to have a parallel degree for students who do not want to take a foreign language. He would hate to see this particular program held hostage until such time as a responsible examination occurs on campus. If the results conclude that we should have a greater flexibility in the B.A. degree, then we can go back and wipe out all of the B.S. degrees, he said.

Dr. Monat said he would make just one comment about the proposed Emphasis. It is the same issue which Dr. Martin raises. There is an emphasis in translation in Business French, he said, which has been a very popular and growing thing in terms of student demand. The demand in Spanish is even greater, and to deny the opportunity to students to put together a program combining language competence with professional application would be unfortunate. Perhaps this can be done through the B.A., but he would call upon Dr. Groves to explain why the emphasis is an appropriate device.

Is it a question of whether or not we have emphases, Dr. Groves asked, or a question of whether this is a justifiable emphasis?

The former, Dr. Martin said.

Dr. Groves said this goes back to his report on units of instruction below the level of a major. He said he thinks it is excellent for the Board to be raising the questions about the degree of specialization in the curriculum - the Board should be doing that. But to do it in the case of one single program does not seem to make too much sense, he said. He would prefer that the issue be addressed in total rather than on a case-by-case basis. He believes that is what Dr. Monat has been saying.

The substitute motion before the Board to defer the two programs was called for a vote, and the motion failed with Dr. Martin, Mr. Shuman and Dr. Wellbank voting Aye; and with Mr. Brady, Ms. Burns, Mrs. Suggs and Mr. Murray voting Nay. Regents Resnik, Theobald and Welander registered Aye votes.

The main question before the Board for approval of proposals 1 and 5 was called, and the motion carried with Mr. Brady, Ms. Burns, Mrs. Suggs, Dr. Wellbank and Mr. Murray casting Aye votes; and with Dr. Martin and Mr. Shuman voting Nay. Regent Resnik recorded an Aye vote; and Regents Theobald and Welander Nay.

Section XIX - Program Deletions

Dr. Matsler advised that Staff had evaluated the requests for program deletions and recommends approval by the Board:

1. Master of Arts with a Major in French and with a Major in Spanish - ISU
2. Master of Science in Education Degree in ten departments - ISU
(Art, Biological Sciences, Chemistry, English, Geography, History

Speech Communication, Spanish, Speech Pathology/Audiology, and Theater)

Mr. Shuman moved for approval of the Staff recommendation. The motion was seconded by Ms. Burns, and it carried unanimously.

Section XX - Board Regulations Amendments: Reporting of Purchases and Construction

Dr. Matsler noted that these proposed amendments had been presented for first reading in December and discussed at that time, so he would not dwell at length on them. They are the result of the university staffs and Mr. Freeman working together to provide a new format and way in which the Board reports can be developed. Staff presents the proposed amendments at this time with a recommendation for approval.

Mr. Resnik moved for approval of the Staff recommendation. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Section XXI - Safe Deposit Box

In 1970, Dr. Matsler said, the Board authorized the Executive Director to obtain in the name of the Board a safe deposit box in the Illinois National Bank in Springfield. At that time Gordon H. Millar, Franklin G. Matsler and William J. Keating were individuals authorized to have access to said box on behalf of the Board. Later, when J. Robert Barr became Chairman of the Board, he replaced Dr. Millar as one of the three authorized to have access. At the time David E. Murray replaced Mr. Barr as Chairman, the required change was not made. To reflect this change properly to the bank, the following Resolution is offered, Dr. Matsler said:

RESOLVED that the lease of safe deposit box No. 3566 from the Illinois National Bank of Springfield be continued and that the persons having access to said box shall be David E. Murray, Franklin G. Matsler, and William J. Keating, and that the bank be advised accordingly.

Mrs. Suggs moved for adoption of the resolution. The motion was seconded by Mr. Shuman, and it carried unanimously.

Section XXII - Illinois Educational Consortium

Dr. Matsler explained that the Board of Regents and other member boards are requested to waive notice and the holding of the annual meeting of the Illinois Educational Consortium for the purpose of election of Directors for the ensuing year. The Regents may grant waivers at this time, he said, but cannot consent to unanimous election of Directors inasmuch as the slate is not yet known. Dr. Matsler said he would request the Board to select two nominees

from this System and delegate to him as Secretary of the Board the power to file written unanimous consent to their election and to the election of the nominees of the other systems by adoption of the following Resolution:

BE IT RESOLVED by the Board of Regents in regular meeting assembled:

That both notice and the holding of the annual meeting of members of the Illinois Educational Consortium be and are hereby waived;

That William R. Monat and Franklin G. Matsler be and are hereby selected to serve as Directors of said Consortium representing this Board; and

That Franklin G. Matsler as Secretary of the Board of Regents be and is hereby authorized to consent and agree to the election of the above-named Directors together with two Directors named by each other member of said Consortium as the act of and on behalf of this Board, and to do so in writing and in lieu of election at a meeting of members.

Mrs. Suggs moved for adoption of the Resolution. The motion was seconded by Ms. Burns, and it carried unanimously.

Section XXIV - Report of Legal Counsel

Dr. Matsler noted that he had discussed with some of the Board members the Attorney General's Opinion and the matter of the resulting trust that exists at Sangamon State University. He would ask Ms. Schanzle-Haskins to propose the action which she feels the Board should take to reaffirm its present policy with respect to the use of certain money obtained from the farmland at Sangamon State University.

Ms. Schanzle-Haskins said there is some disagreement between the Attorney General and Mr. Winning, our legal counsel, concerning the question of income from the Shepherd tract at Sangamon State University. Upon due consideration by Mr. Winning and other lawyers, Mr. Winning rendered his interpretation of the law and gave his thoughts on the consequences of the Attorney General's suggested actions, she said. This interpretation can be found in the Executive Director's Report. On the basis of his interpretation, Mr. Winning would ask the Board of Regents at this time to reaffirm their current practice of paying the income from the Shepherd property to the Foundation in order to, basically, pay off the purchase price of the Shepherd property. The price was initially paid by the University Foundation, she added.

Procedurally, Mr. Murray said, we have already adopted such a position, and he asked why we must reaffirm it now.

Dr. Matsler said he had received a letter from the Executive Director of the Legislative Audit Commission asking him to comment as to the Board of Regents action in light of the Attorney General's Opinion, so that at this time

the Board must react to that Opinion relative to the use of these funds. Dr. Matsler said he is simply asking the Board at this time to reaffirm this practice in the light of Mr. Winning's opinion.

If such a motion were to pass and it is ultimately decided that our expenditure of funds is illegal, is there any personal liability on the part of those who vote in favor, Mr. Murray asked.

Ms. Schanzle-Haskins said she would say that there would be potential for a lawsuit in this case regardless of whether the Board would follow the advice of Mr. Winning or the Attorney General, but in terms of whether or not there is personal liability, that would be for the courts to decide. It is possible, she said, but she doubts whether it is very feasible so long as the Board is acting in good faith in the discharge of its duties. Does our liability insurance cover that, Mr. Murray asked. Ms. Schanzle-Haskins said the Board of Regents would supply legal counsel in the event they would be sued. Would the liability insurance company reimburse board members if the judgment were adverse, Mr. Murray asked. Miss Schanzle-Haskins said she would say yes, that if the judgment were obtained due to a decision made while Board members were operating in their usual confines of the Board of Regents business. If there were a judgment, she said, she is of the opinion that the insurance company would reimburse the members.

It is Mr. Winning's opinion that the Board should approve this, Mr. Murray asked? Yes, she replied.

Mr. Shuman moved that the Board of Regents reaffirm and continue to follow its past practices with respect to the farming operation and income from the Shephard tract at Sangamon State University. The motion was seconded by Mrs. Suggs.

Ms. Schanzle-Haskins and Dr. Thomas Goins, Vice President of Sangamon State University, reviewed for the Board the history of the purchase of the property and entry into the resulting trust.

The question before the Board was called for a vote, and the motion carried unanimously.

Administrative Procedures Act

Ms. Schanzle-Haskins reported that by amendment to the Illinois Administrative Procedure Act (P.A. 80-1035), "each state board, commission, department or officer" is brought within its provisions. It is the consensus of the university system counsels that the boards of the university systems do not come within the expanded definitions in the Act since they are all bodies politic and corporate. Consequently, she said, they all advised their respective systems that no filings should be made on the January filing date. She added that she was bringing this to the attention of the Board because the Joint Commission is requesting the Attorney General to issue an opinion as to whether we are within the expanded definition of the Act.

Hart v. Sangamon State University, et al

Ms. Schanzle-Haskins reported that this is an action for administrative review questioning the firing of a police officer at Sangamon State University. His dismissal was upheld by the Merit Board and he has taken an administrative review. In the review he has filed a motion to add numerous party defendants including members of the Board of Regents. Mr. Winning proposes, she said, to seek dismissal of these additional parties on motion.

Dr. Martin asked if the earlier Board action on the two programs at Northern included a request for a report on the matter as discussed. No, Mr. Murray replied. Dr. Martin said he would then move to direct Staff to bring in such a report. The motion was seconded by Mr. Shuman. Mr. Murray asked Dr. Matsler if he would accept this without a motion. Yes, Dr. Matsler said, he would take this as direction from the Board. The motion was withdrawn.

RECURRING INSTITUTIONAL MATTERS

Sangamon State University - President's Report

Before presenting his Report to the Board, Acting President Keiser distributed copies of proposed amendments to the Sangamon State University Constitution.

Information reports were submitted on:

- Grants and Contracts
- Financial Activities - Not-for-Profit Corporations
- Planning and Development

The following items were submitted for Board action:

1. Personnel transactions for faculty and other employees, including a list of those faculty eligible for sabbatical leaves. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. Authorization was requested to continue the Senior Learner Program, originally approved in November 1975. The program is open to any person not currently enrolled in the University and who is 62 years of age or older. Upon payment of a \$10 per semester fee, the person will be issued a Senior Learner Card which would entitle the individual to attend any SSU class with the permission of the instructor, on a space available basis.
3. Planning and Development
 - (a) Remodeling of South Portion of Building "F"
Approval was requested to initiate a project for the remodeling of the south portion of Building "F" to be adapted for use by the

Management Information Systems and Computer Services Office. The estimated total cost of the project is not to exceed \$38,500, payable from Physical Plant Service Cash, Account #06-102.

(b) Construction of On-Campus Student Housing

Approval was requested to initiate the project for construction of 80 units of on-campus student housing with a total estimated cost not to exceed \$2,284,500, contingent upon Board of Higher Education approval of the project as a noninstructional facility at its meeting on February 7, 1978. Assistance in the amount of \$2,065,000 under the College Housing Loan Program as authorized and amended by Title IV of the College Housing Act of 1950 will be used to fund the project, and the balance of the project will be paid from a special fund-raising drive.

4. Items submitted for preliminary approval of the Board during the month of January were appended to the President's Report for ratification.

Commenting on his Report, Dr. Keiser noted the appointment of Dr. Richard W. Sames to serve as Acting Vice President for Academic Affairs in addition to his other assignments, effective February 1, 1978.

Dr. Keiser advised that the Governor has now signed the bill containing funds for completion of the Public Affairs Center. This action, he said, will insure that the construction will be underway this spring, and the amount approved will allow the building to be fully equipped for all institutional needs.

Referring to the student housing project, Dr. Keiser advised that the request is really more in the nature of a report to the Board and, as he mentioned in executive session earlier, it is their request to ask for permission to begin interviewing architects for the project. Dr. Keiser said he would assure the Board that there will be no construction until legislative approval occurs, which is anticipated in April. No State funds will be expended on the architect, but rather this will come from donated funds, so the only risk involved will be taken by the donors.

Dr. Keiser advised that he had been requested by Dr. Regan Smith of the Assembly at Sangamon State, to distribute copies of proposed amendments to the University Constitution for first reading. The amendments involve the Staff Senate and they have passed through the procedures on campus as detailed in the Constitution. They will have some effect on the election of the Staff Senate in March, Dr. Keiser said. First reading by the Board today would allow the Senate to begin organizing the election in the terms proposed and to conduct the election after Board approval. Dr. Keiser added that he has no problems with the proposed amendments.

Mr. Murray said he is willing to accept Dr. Keiser's judgment on the amendments, but he asked if Staff would have an opportunity to evaluate them.

Dr. Matsler advised that Staff would have an opportunity to react before they are presented to the Board for approval in March.

Mr. Shuman moved for approval of the Report of the President of Sangamon State University, as amended. The motion was seconded by Mrs. Suggs, and it carried unanimously.

Northern Illinois University - President's Report

Before presenting the NIU President's Report, Dr. Monat said he would take a moment to report on several incidents which occurred on campus the preceding week. The University Council passed a resolution unanimously expressing their appreciation for services rendered by President Nelson - to a standing ovation. The President also kindly agreed to meet with all Deans, department chairmen and program directors to share with them his vision for the future of Northern Illinois University. This was warmly received, Dr. Monat reported, again to a standing ovation for President Nelson.

On a more personal note, Dr. Monat said he regrets having to assume the responsibilities of the presidency under the circumstances. The services rendered by President Nelson have been so numerous, and he is held in such great respect and affection, that he will be missed by everyone on campus.

Dr. Monat noted that NIU had scheduled presentations by two architects at today's meeting; and if it were agreeable with the Board, he would ask that they be made at this time before he proceeds with his Report.

The first presentation, he said, concerns the replacement of the window walls in Lincoln Hall, and he introduced Mr. Charles Rath and Mr. Ken Wagner of Rath, Rath, and Johnson, Inc. to make the presentation of the design development drawings.

Mr. Rath described the objectives of the project as being to reduce fuel energy consumption, to improve comfort of occupants, and to reduce maintenance requirements. Mr. Wagner discussed with the Board the proposed solutions to the problems and the cost savings which will be accomplished, estimated to be \$350,000 over the next ten year for fuel energy costs. There is also an estimated \$15,000 in savings each year in maintenance costs. The project budget, including estimated construction costs, fees and contingencies, is \$975,000.

In response to questions posed by Mr. Shuman, Mr. Rath described how the precast panels would be affixed to the present foundation and framework, and he assured the Board that the weight could be supported. Mr. Shuman asked if a supervisor would be assigned to the project 100% of the time. Mr. Rath said a detailed site inspection would be made a minimum of two days a week, each lasting approximately 4 hours, and the supervisor would be immediately available if questions should arise. Operating in this fashion, he added, they have found that they do not have problems. A project like this does not require a full time inspector, Mr. Rath said, because we are dealing with very repetitive

work. Vice President Richard J. Smith added that the university will have its own staff on the project for daily supervision, and if a problem should arise, they are free to call in the project engineer or architect. Dr. Smith agreed this type of project does not require eight hour a day supervision. Mr. Rath also assured the Board that this is a tried and true type of construction. What does each pilaster weigh, Mr. Brady inquired. Between four and five tons, Mr. Rath said. Mr. Brady said he is surprised that the present foundation could support the weight because this is a hung-wall building otherwise. There is a foundation wall in between where the columns are located, Mr. Rath advised. There is no real load on the foundation wall today, he said, and this can be taken advantage of. The problem has been studied very carefully.

Dr. Monat then asked Vice President Smith to introduce the representative from the engineering firm of DeLeuw-Cather & Company to present the schematic design drawings for the Surface Parking Lot. Dr. Smith advised that the lot is to be constructed at the corner of Lucinda and Normal, in the area where the multi-level parking structure was to have been erected. Due to some difficulties in the sale of bonds to which they could not accommodate, the Board subsequently approved this surface project. Dr. Smith reported that they had worked with the citizens group comprised of people who reside in the area, and although they have not been able to accommodate all of the requests made by that group, a satisfactory conclusion has been arrived at. The lot will provide, hopefully, an increase of 170 total spaces on campus, including the elimination of 90 spaces now located between the Center and Founders Library. Dr. Smith said he would call on Mr. Phil Weston to review the schematic drawings for the Board. Dr. Smith also advised that they do have a landscape architect for the project who will do that design if the Board should approve the general concept for the project today.

Mr. Murray noted that when this was discussed before, Dr. Katkovsky spoke for the citizens group, and he asked if anyone was present from the group who wished to speak to the matter at this time.

Dr. Smith said he did not believe that Dr. Katkovsky planned to come to the meeting today. They did meet with representatives of the group on two occasions on the preliminary design and again on the design before the Board today. The university was able to satisfy one of their requests - they were concerned that the west edge of the parking lot was too close to the sidewalk and the street, and wanted to remove one row which would have eliminated about 37 spaces. The university was able to cut the aisles from 25' to 24', thereby gaining 6 feet which put the west edge of the lot back. Although all of the requests made by the citizens group have not been met, the university did try to do all that it could.

President Nelson commented that he was a little disappointed at the tone of Dr. Katkovsky's letter to the Board, which he had seen for the first time this morning. While he does not question his concern, President Nelson said, he does think that the university has leaned over backwards in trying to be respon-

sive to the concerns of the group. Most of their concerns would have diverted traffic from Normal Road to Garden Road, the parallel street one block to the east. NIU has tried to disperse traffic in a way which would not put undue emphasis on either road. The university has been very cognizant of the presence of the Newman Foundation, and they have been very cooperative and agreed to do away with their access road and share one with the university. The Newman Foundation is quite pleased with this plan, he said, and the university has about as high an order of need to respond to them as to anyone in the area.

Mr. Murray asked Mr. Weston if he was familiar with the concerns which the citizens group has and with the letter given to the Board today. Mr. Weston said he was familiar with the situation, although he had only seen the letter for the first time today. Mr. Murray asked Mr. Weston to address these concerns as he reviewed the drawings for the lot.

Mr. Weston said one of their major objectives was to provide parking on the site roughly equal to what would have been in the parking garage. Another objective was to save as many trees as possible. This had been discussed with the landscape architect at the very beginning of the project, and he had designated certain trees he would like to save. DeLeuw-Cather conducted a traffic survey to assess what might happen to local traffic as a result of the parking lot. Three alternatives were then presented and several more had been considered. From the three, one was chosen; and in a meeting on January 18 it was modified by adding planting areas. Mr. Weston said he wished to emphasize that the trees shown in the brochure before the Board are existing ones. At that point there had been 491 spaces. On February 8 they met with Dr. Katkovsky and discussed the plan further, including the traffic study, access to the lot and the layout of the parking lot. He suggested that three spaces on the northwest corner be eliminated and also that the entire row of parking along Normal Road be eliminated. Mr. Weston said he then suggested that the aisles could be narrowed in the lot and thereby gain 6 feet in setback. At that time the university agreed that after the lot had been in operation for 6 months the committee would meet again with the residents to review the operation.

Mr. Resnik asked if this would have any effect on the removal of the lot between the Center and the Founders Library.

Hopefully it will, Dr. Smith said. The university had planned after the completion of the parking lot that they would be able to obtain funds from the state to landscape that area; but as indicated by Dr. Matsler earlier in his presentation on statewide priorities, he has no idea what they will be able to do at this point in time.

President Nelson suggested that the university might justify using some of the bond revenue reserve related to the Center for this. What they probably will have to do is have a phased landscaping plan to develop over a period of time as money becomes available.

Oftentimes, Mr. Murray said, berms are built up to hide the view of cars, and thus a problem is created for removal of snow. Was any consideration given to this, he asked.

Mr. Weston said it is the university's policy to truck the snow away from the lots, so that is no particular problem.

Dr. Monat then returned to the balance of his Report to the Board. Copies of an addendum to the Purchases Section were distributed, as well as an addendum relative to the early retirement of revenue bonds.

Information reports were presented on:

- Status of Undergraduate Admissions for Spring 1978 and Fall 1978
- Grants and Contracts
- Gifts to Northern Illinois University
- Gifts to Northern Illinois University Foundation
- Student Health Insurance Fee
- Revenue Bond Redemption
- Renewal of Lease of Research Facilities

The following items were then submitted for Board action:

1. Personnel transactions for faculty and other employees, including a list of faculty eligible for sabbatical leaves during the year 1978-79. A listing of all transactions reported is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. Permission was requested to make partial refunds of tuition and fees to students as follows: Sandra Garber, \$198.45; Bernadette O'Hara, \$154.35; and Marc Rosenstock, \$242.55.
3. Permission was requested to increase the athletic fee by \$12.75 per semester to \$28.00.
4. Pursuant to Section 4 of the Regulations Governing Procurement and Bidding at State Systems Universities in Illinois, permission was requested to remove Richard Engberg & Co., an Illinois corporation, from the bidders list for a period of one year for delivery of services which did not comply with specifications, and failure to complete a construction project in the time specified in the contract.
5. An addendum to the Report was presented relative to the acceptance of tenders for early retirement of revenue bonds, together with a Resolution authorizing the application of certain surplus revenues toward the redemption of bonds. (Both documents are appended to these minutes as Exhibit I.)
6. A report of purchases for the month was presented for approval, as detailed in the President's Report.

7. Buildings and Grounds

a. Douglas Hall Remodeling

Because the total of bids received for the project on January 5, 1978 was considerably above the approved budget, all bids were rejected and the architect has been instructed to redesign the project so that it may be rebid. Approval was requested for a new project budget as follows:

Phase I - Upper Level

Construction	\$310,000.00	
Architect Fees - 8.5%	26,350.00	
Contingencies	<u>20,650.00</u>	
Total Phase I		\$357,000.00

Phase II - Lower Level

Construction	\$132,000.00	
Architect Fees - 8.5%	11,220.00	
Contingencies	<u>13,780.00</u>	157,000.00

Equipment for total project		<u>108,700.00</u>
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GRAND TOTAL		\$622,700.00
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Subject to Board approval, the University will work with the Central Office staff in the matter of informing the IBHE of the project modification. Payable from Revenue Bond funds.

b. Re-tube Absorber Unit at Wirtz Hall

A tabulation of bids received for the project was presented with a recommendation the low bid be accepted and a contract awarded to R. M. C., Inc., Chicago, in the amount of \$6,928.00. Total project budget was established at \$7,270, including contingencies. Payable from General Revenue funds, Renewal and Replacements, 01-32240-670.

c. Repair of Cooling Tower at West Heating Plant

A tabulation of bids received was presented with a recommendation that the single bid received be accepted and a contract awarded to Ecodyne Cooling Products Division, Santa Rosa, California, in the amount of \$24,316.00. Total project budget is established as \$25,516.00 including contingencies. Payable from Revenue Bond funds, 21-55180-772.

d. Replacement of Window Walls in Lincoln Hall

Representatives of the engineering firm of Rath, Rath and Johnson, Inc. presented design development drawings for the project earlier in the meeting. Approval of the drawings was requested with permission for the engineer to complete final plans and specifications,

advertise and receive bids for the project. Payable from Revenue Bond funds.

- e. Surface Parking Lot at Lucinda and Normal
Representatives of the engineering firm of DeLeuw-Cather & Company presented schematic design drawings for the project earlier in the meeting. Approval of the drawings was requested, with permission for the engineer to complete final plans and specifications, to advertise and receive bids for the project. Payable from Parking Income funds.

- 8. Items submitted during the month of January for preliminary approval were appended to the President's Report for ratification.

Dr. Martin moved for approval of the Report of the President of Northern Illinois University, as amended. The motion was seconded by Ms. Theobald, and it carried unanimously.

Illinois State University - President's Report

Before presenting his Report to the Board, President Watkins distributed copies of an addendum to the Purchases Section (II. Revenue, Items G. and H.). Also distributed were copies of an addendum relative to the recommendation for the acceptance of tenders for early retirement of revenue bonds.

At the request of the President, Mr. Litvan of the firm of Maslauski, Litvan and Bernstein - Architects and Planners, Inc. presented a description of the project to convert Old Milner Library to Classroom Space.

Information reports were submitted on:

- Students
- Grants and Contracts
- Not-for-Profit Corporations
- Bond Redemption
- Buildings and Grounds

The following items were presented for Board action:

- 1. Personnel transactions for faculty and administrative staff and for civil service employees, including a list of faculty eligible for sabbatical leaves during 1978-79. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
- 2. A list of purchases for the month was presented for approval, as contained in the Report of the President.
- 3. Buildings and Grounds
 - a. Conversion of Old Milner Library to Classroom Space - Phase I
Approval was requested for the project to remodel Old Milner

Library, as described earlier in the meeting by a representative of the architectural firm. \$500,000 has been appropriated and released for Phase I of this work.

b. Residence Hall Handicapped Code Work

Permission was requested to prepare contract drawings and receive bids for Handicapped Code Work in Atkin-Colby and Hamilton-Whitten Residence Halls. Work is required as a part of first phase of updating the facilities in accordance with HEW requirements. Cost of the work including fees and contingencies is estimated at \$150,000. Funds are available from Bond Revenue Series 1970-70A Rehabilitation and Development Reserve for Series 1959 and 1961.

c. Remodeling of Residence Hall Lounge Areas

Permission was requested to prepare contract documents and receive bids for remodeling of certain student lounge areas in Vrooman Center, Colby Hall, Whitten Hall, Linkins Center and Watterson Towers. Cost of the work, including fees and contingencies is estimated at \$175,000. Funds are available from Bond Revenue Series 1970-70A Rehabilitation and Development Reserve for Series 1959, 1961, 1963, 1965 and 1967.

4. Authorization was requested to enter into a membership agreement through the Illinois Educational Consortium with the Mid-Illinois Computer Cooperative. Membership will include computing services to meet the University's FY78 instructional and research needs at a total cost not to exceed \$26,000.
5. An addendum to the Report of the President was presented relative to acceptance of tenders for early retirement of revenue bonds, together with a Resolution authorizing the application of certain surplus revenues toward the redemption of bonds. (Both documents are appended to these minutes as Exhibit II.)
6. Items submitted during the month of January for preliminary approval were appended to the Report of the President for ratification.

Mr. Murray said he had neglected to mention earlier in the meeting the fact that the projects for the installation of Astroturf and the sprinkling system for the golf course were approved by the Board of Higher Education without a question.

Ms. Theobald moved for approval of the Report of the President of Illinois State University, as amended. The motion was seconded by Mrs. Suggs, and it carried unanimously.

Mr. Murray, noting the list of sabbatical leaves in each of the Presidents' Reports, said he does not recall that the Board has had any discussion about such leaves since he has been a member of the Board. He asked Dr. Matsler if it would be possible for the Staff to give the Board a report on this, including

such things as the requirements for such a leaves, the policies of the institutions, and what responsibilities individuals have who are granted such leaves. Dr. Matsler said Staff would be willing to bring a report to the Board on this. Mr. Shuman asked that the report also include some information on what other universities do in the way of requiring advance plans to be submitted.

There being no further business before the Board, the meeting was declared adjourned. The next regularly scheduled meeting of the Board of Regents will be held on March 16, 1978 at Northern Illinois University.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

RESOLUTION APPLYING CERTAIN SURPLUS REVENUES IN FUNDS ESTABLISHED PURSUANT TO RESOLUTIONS OF THE TEACHERS COLLEGE BOARD, THE BOARD OF GOVERNORS OF STATE COLLEGES AND UNIVERSITIES, OR THE BOARD OF REGENTS, CREATING FOR NORTHERN ILLINOIS UNIVERSITY, BOND ISSUES DATED APRIL 1, 1956, OCTOBER 1, 1957, APRIL 1, 1959, FEBRUARY 1, 1964, AND OCTOBER 1, 1964.

WHEREAS the Teachers College Board reserved unto itself the right to use for any lawful purpose Surplus Revenues in certain Funds established by said Board by resolutions creating certain bond issues for Northern Illinois University at DeKalb as specifically provided by:

- (I) Section 7 of the resolution establishing "Physical Education Building Revenue Bonds, Series of 1956" of the Teachers College Board of the State of Illinois for Northern Illinois University (hereinafter referred to as the "Series 1956 Revenue Fund") in connection with an issue of \$400,000 Physical Education Building Revenue Bonds, dated April 1, 1956.
- (II) Section 6(F) of the resolution establishing "Northern Illinois University Dormitory Revenue Bonds, Series A and B of 1957" of the Teachers College Board of the State of Illinois (hereinafter referred to as the "Series 1957 Revenue Fund") in connection with an issue of \$4,000,000 (\$1,000,000 Series A and \$3,000,000 Series B) Dormitory Revenue Bonds dated October 1, 1957.
- (III) Section 6(F) of the resolution establishing "Apartment Buildings Revenue Bonds, Series of 1959" of the Teachers College Board of the State of Illinois for Northern Illinois University (hereinafter referred to as the "Series 1959 Revenue Fund") in connection with an issue of \$625,000 Apartment Buildings Revenue Bonds dated April 1, 1959.
- (IV) Section 9(F) of the resolution establishing "Building Revenue Bonds, Series of 1964" of the Teachers College Board of the State of Illinois for Northern Illinois University (hereinafter referred to as the "Series 1964 Revenue Fund") in connection with an issue of \$8,500,000 Building Revenue Bonds dated February 1, 1964.
- (V) Section 9(F) of the resolution establishing "Residence Halls Revenue Bonds, Series of 1964" of the Teachers College Board of the State of Illinois for Northern Illinois University (hereinafter referred to as the "Series 1964A Revenue Fund") in connection with an issue of \$5,250,000 Residence Halls Revenue Bonds dated October 1, 1964.

WHEREAS the Board of Regents is by statute the successor to the Teachers College Board and the Board of Governors of State Colleges and Universities with all rights, powers and duties thereof incident to bonds issued for Northern Illinois University; and

WHEREAS Surplus Revenues in each of said Revenue Funds in the amounts shown in Exhibit "A" attached hereto and made a part hereof, none of which has heretofore been used, pledged nor hypothecated; and

(cont'd)

WHEREAS the Board of Regents now finds it necessary and desirable to expend said surplus revenue in the amount of \$371,646.75; and

WHEREAS the Board authorized a solicitation for tenders to redeem at public meeting held on December 1, 1977;

NOW THEREFORE BE IT RESOLVED by the Board of Regents of the State of Illinois that the "Addendum to President's Report," Northern Illinois University, dated February 16, 1978, attached hereto and hereby incorporated by reference herein as Exhibit "A" is ratified and affirmed by this Board for the purposes therein set forth and in the amounts as respectively shown.

NORTHERN ILLINOIS UNIVERSITY
DEKALB, ILLINOIS
ADDENDUM TO PRESIDENT'S REPORT
to the
BOARD OF REGENTS

NON-RECURRING ITEMAction

Pursuant to the authority granted in their various bond indentures, Northern Illinois University advertised an "Invitation for Tenders" for the purpose of early retirement of revenue bonds. The University recommends the acceptance of the following tenders and requests authority to notify the holders of bonds tendered by mail of the acceptance of such bonds not later than the 17th day of February, 1978; and to request the holders of those tendered bonds at their expense to cause said bond or bonds with all subsequent unmatured interest coupons attached as provided by the published notice of Invitation for Tenders and in the case of Registered Bonds accompanied by duly executed instruments of assignment or transfer, to be delivered promptly as follows: Series of 1956 and 1959, The Northern Trust Company, Corporate Trust Division, 125 South Wacker Drive, Chicago, IL 60675; Series of 1957, 1964 and 1964A, Continental Illinois National Bank and Trust, Corporate Trust Section, 231 South LaSalle Street, Chicago, IL 60693.

Acceptance

<u>Series</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Total Par</u>	<u>Total Discount</u>	<u>Total Price</u>	<u>Yield</u>
1964A	3.7 %	10-1-02	\$ 15,000	\$ 4,557.00	\$ 10,443.00	5.84
1964A	3.7	10-1-03	25,000	7,500.00	17,500.00	5.75
1964	3.75	10-1-82	5,000	1,500.00	3,500.00	12.34
1964	3.8	10-1-97	75,000	18,911.25	56,088.75	5.84
1964	3.8	10-1-94	10,000	2,000.00	8,000.00	5.58
1957	3.75	10-1-84	30,000	2,850.00	27,150.00	5.47
1957	3.75	10-1-87	35,000	4,462.50	30,537.50	5.44
1957	3.75	10-1-88	35,000	4,593.75	30,406.25	5.36
1964	3.8	10-1-93	15,000	3,018.75	11,981.25	5.68
1956	3.75	4-1-82	13,000	1,040.00	11,960.00	5.97
1956	3.75	4-1-83	14,000	1,120.00	12,880.00	5.57
1956	3.75	4-1-84	14,000	1,120.00	12,880.00	5.29
1956	3.75	4-1-85	15,000	1,200.00	13,800.00	5.10
1956	3.75	4-1-86	15,000	1,200.00	13,800.00	4.95

Acceptance

<u>Series</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Total Par</u>	<u>Total Discount</u>	<u>Total Price</u>	<u>Yield</u>
1956	3.75	4-1-87	\$ 16,000	\$ 1,280.00	\$ 14,720.00	4.83
1956	3.75	4-1-88	16,000	1,280.00	14,720.00	4.74
1956	3.75	4-1-89	17,000	1,360.00	15,640.00	4.67
1956	3.75	4-1-90	17,000	1,360.00	15,640.00	4.60
1956	3.75	4-1-91	18,000	1,440.00	16,560.00	4.55
1956	3.75	4-1-92	19,000	2,280.00	16,720.00	4.91
1956	3.75	4-1-93	19,000	2,280.00	16,720.00	4.85
			\$438,000	\$66,353.25	\$371,646.75	

The University recommends the rejection of the following tenders and requests authority to notify the holders of the bonds tendered by mail of the rejection of such bonds not later than the 17th day of February, 1978.

Rejection

<u>Series</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Total Par</u>	<u>Total Price</u>	<u>Yield</u>
1964	3.8 %	10-1-95	\$ 305,000	\$ 297,070.00	4.00
1964	3.8	10-1-96	315,000	306,180.00	4.01
1964	3.5	10-1-03	410,000	349,525.00	4.41
1964	3.8	10-1-91	5,000	4,500.00	4.78
1964A	3.7	10-1-98	5,000	4,750.00	4.05
1964A	3.6	10-1-88	5,000	5,000.00	3.60
1964A	3.6	10-1-88	5,000	5,000.00	3.60
1964A	3.625	10-1-95	25,000	20,000.00	5.31
1964	3.75	10-1-88	5,000	5,000.00	3.75
1964	3.75	10-1-87	100,000	97,497.00	4.06
1964	3.75	10-1-89	100,000	97,497.00	4.02
1964	3.75	10-1-90	230,000	224,243.10	4.00
1964	3.75	10-1-86	120,000	116,996.40	4.10
1964	3.75	10-1-87	125,000	121,871.25	4.06
1964A	3.6	10-1-89	125,000	120,300.00	4.00
1964A	3.6	10-1-90	75,000	72,180.00	3.98
1964A	3.7	10-1-03	75,000	75,000.00	3.70
1964	3.8	10-1-94	100,000	84,735.00	5.12
1964	3.8	10-1-97	5,000	4,850.00	4.01
1957	3.75	10-1-83	5,000	5,000.00	3.75
1959	4.25	4-1-84	25,000	25,000.00	4.25
1959	4.375	4-1-90	5,000	5,000.00	4.375
1959	4.375	4-1-91	5,000	5,000.00	4.375
1959	4.375	4-1-92	5,000	5,000.00	4.375

<u>Rejection Series</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Total Par</u>	<u>Total Price</u>	<u>Yield</u>
1959	4.375%	4-1-93	\$ 30,000	\$ 30,000.00	4.375
1959	4.375	4-1-94	33,000	33,000.00	4.375
1959	4.375	4-1-78	15,000	15,000.00	4.375
1957	3.75	10-1-78	20,000	20,000.00	3.75
1959	4.375	4-1-79	20,000	20,000.00	4.375
1957	3.75	10-1-79	25,000	25,000.00	3.75
1959	4.375	4-1-80	20,000	20,000.00	4.375
1959	4.375	4-1-81	20,000	20,000.00	4.375
1959	4.375	4-1-82	20,000	20,000.00	4.375
1959	4.375	4-1-83	20,000	20,000.00	4.375
1957	3.75	10-1-85	20,000	19,200.00	4.37
1957	3.75	10-1-86	30,000	28,800.00	4.31
1957	3.75	10-1-92	45,000	42,300.00	4.29
1957	3.75	10-1-93	5,000	4,700.00	4.27
1959	4.25	4-1-87	20,000	19,800.00	4.38
1964	3.875	10-1-01	10,000	9,000.00	4.53
1964	3.875	10-1-00	15,000	13,500.00	4.55
1964A	3.5	10-1-84	10,000	9,400.00	4.56
1964	3.75	10-1-89	30,000	29,847.00	3.80
1964	3.875	10-1-00	5,000	4,250.00	4.92
1964	3.875	10-1-00	5,000	4,200.00	4.99
1964A	3.5	10-1-83	15,000	14,527.50	4.13
1964A	3.0	3-1-04	5,000	3,500.00	4.90
1964	3.8	10-1-94	10,000	9,485.00	4.22
1964A	3.7	10-1-00	35,000	31,489.50	4.37
1964A	3.7	10-1-02	25,000	22,495.00	4.33
1964A	3.0	10-1-04	200,000	171,720.00	3.81

<u>Rejection Series</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Total Par</u>	<u>Total Price</u>	<u>Yield</u>
1964A	3.625%	10-1-97	\$ 60,000	\$ 56,940.00	3.99
1957	3.75	10-1-89	5,000	4,749.50	4.29
1964	3.875	10-1-00	5,000	4,499.50	4.55
1957	3.75	10-1-90	5,000	4,749.50	4.26
1964	3.75	10-1-89	25,000	21,750.00	5.23
1964	3.8	10-1-97	10,000	8,000.00	5.37
1964A	3.625	10-1-95	15,000	12,000.00	5.31
1964A	3.625	10-1-92	25,000	20,500.00	5.36
1964	3.875	10-1-00	10,000	7,800.00	5.46
1964	3.75	10-1-88	5,000	4,300.00	5.47
1964	3.75	2-1-85	5,000	4,750.00	4.60
1964	3.75	10-1-86	100,000	96,000.00	4.31
1964	3.875	10-1-99	100,000	100,000.00	3.875
1964	3.75	10-1-82	20,000	18,800.00	5.23
1957	3.75	10-1-81	25,000	23,937.50	5.06
1957	3.75	10-1-82	15,000	14,081.25	5.26
1964A	3.7	10-1-02	5,000	4,600.00	4.20
1964	3.75	10-1-88	5,000	4,500.00	4.95
1964	3.75	10-1-88	5,000	4,750.00	4.34
1964	3.75	10-1-80	10,000	10,000.00	3.75
1964	3.75	10-1-83	125,000	118,675.00	4.79
1964A	3.625	10-1-92	100,000	86,440.00	4.90
1964A	3.7	10-1-98	75,000	61,080.00	5.08
1964A	3.625	10-1-97	25,000	22,175.00	4.46
1964	3.875	10-1-00	10,000	8,871.00	4.64
			\$3,678,000		

RESOLUTION APPLYING CERTAIN SURPLUS REVENUES IN FUNDS ESTABLISHED PURSUANT TO RESOLUTIONS OF THE TEACHERS COLLEGE BOARD, THE BOARD OF GOVERNORS OF STATE COLLEGES AND UNIVERSITIES, OR THE BOARD OF REGENTS, CREATING FOR ILLINOIS STATE UNIVERSITY, BOND ISSUES DATED APRIL 1, 1950, JULY 1, 1954, APRIL 1, 1959, MARCH 1, 1961, DECEMBER 1, 1961, JUNE 1, 1963, APRIL 1, 1965, MAY 15, 1967, SEPTEMBER 17, 1970, AND DECEMBER 20, 1970.

WHEREAS the Teachers College Board reserved unto itself the right to use for any lawful purpose Surplus Revenues in certain Funds established by said Board by resolutions creating certain bond issues for Illinois State University at Normal as specifically provided by:

- (I) Section 6(5) of the resolution establishing "The Teachers College Board Revenue Fund of 1950 for Illinois State Normal University at Normal, Illinois" (hereinafter referred to as the "Series 1950 Revenue Fund") in connection with an issue of \$1,150,000 Student Residence Hall Revenue Bonds, Series of 1950 for Illinois State Normal University dated April 1, 1950.
- (II) Section 8(H) of the resolution establishing "The Teachers College Board Revenue Fund of 1954 for Illinois State Normal University at Normal, Illinois" (hereinafter referred to as the "Series 1954 Revenue Fund") in connection with an issue of \$1,650,000 Student Residence Hall Revenue Bonds, Series of 1954 for Illinois State Normal University dated July 1, 1954.
- (III) Section 7(F) of the resolution adopted March 23, 1959 establishing "The Teachers College Board Revenue Fund of 1959 for Illinois State Normal University at Normal, Illinois" (hereinafter referred to as the "Series 1959 Revenue Fund") in connection with an issue of \$3,600,000 Student Residence Hall Revenue Bonds, Series of 1959 for Illinois State Normal University dated April 1, 1959.

- (IV) Section 7(F) of the resolution adopted February 20, 1961, establishing "The Teachers College Board Revenue Fund of 1961 for Illinois State Normal University at Normal, Illinois" (hereinafter referred to as the "Series 1961 Revenue Fund") in connection with an issue of \$4,000,000 Student Residence Hall Revenue Bonds, Series of 1961 for Illinois State Normal University dated March 1, 1961.
- (V) Section 6(F) of the resolution adopted June 17, 1963, establishing "The Teachers College Board Revenue Fund of 1963 for Illinois State Normal University at Normal, Illinois" (hereinafter referred to as the "Series of 1963 Revenue Fund") in connection with an issue of \$6,750,000 Residence Halls Revenue Bonds, Series of 1963 for Illinois State Normal University dated June 1, 1963.
- (VI) Section 9(F) of the resolution adopted May 17, 1965 establishing "The Teachers College Board Revenue Fund of 1965 for Illinois State University at Normal, Normal, Illinois" (hereinafter referred to as the "Series of 1965 Revenue Fund") in connection with an issue of \$8,000,000 Residence Halls Revenue Bonds, Series of 1965 for Illinois State University at Normal dated April 1, 1965; and

WHEREAS the Board of Governors of State Colleges and Universities reserved unto itself the right to use for any lawful purpose Surplus Revenues as specifically provided by Section 9(F) of the resolution adopted May 15, 1967 establishing "The Board of Governors of State Colleges and Universities Revenue Fund of 1967 for Illinois State University at Normal \$15,200,000 Building Revenue Bonds, Series of 1967" (hereinafter referred to as the "Series 1967 Revenue Fund"); and

WHEREAS the Board of Regents is by statute the successor to The Teachers College Board and The Board of Governors of State Colleges and Universities with all rights, powers and duties thereof incident to bonds issued for Illinois State University; and

WHEREAS the Board of Regents reserved unto itself the right to use for any lawful purpose Surplus Revenues as specifically provided by Section 6.07 of

the resolutions adopted September 17, 1970 and December 20, 1970 establishing "University Facilities Revenue Fund for Illinois State University" (hereinafter referred to as the "University Facilities Revenue Fund") in connection with University Facilities Revenue Bonds, Series of 1970 and 1970A, respectively, dated August 1, 1970 and November 1, 1970; and

WHEREAS Surplus Revenues in each of said Revenue Funds in the amounts shown in Exhibit "A" attached hereto and made a part hereof, none of which has heretofore been used, pledged nor hypothecated; and

WHEREAS the Board of Regents now finds it necessary and desirable to expend said surplus revenue in the amount of \$218,740; and

WHEREAS the Board authorized a solicitation for tenders to redeem at public meeting held on December 1, 1977:

NOW THEREFORE BE IT RESOLVED by the Board of Regents of the State of Illinois that the "Addendum to President's Report," Illinois State University, dated February 16, 1978, attached hereto and hereby incorporated by reference herein as Exhibit "A" is ratified and affirmed by this Board for the purposes therein set forth and in the amounts as respectively shown.

WHEREFORE THIS RESOLUTION HAS BEEN DULY ADOPTED BY THE BOARD OF REGENTS OF THE STATE OF ILLINOIS ON THIS 16TH DAY OF FEBRUARY, 1978.

David E. Murray
Chairman

ATTEST

Franklin G. Matsler
Secretary

SEAL

ILLINOIS STATE UNIVERSITY
BLOOMINGTON - NORMAL, ILLINOIS
ADDENDUM TO THE PRESIDENT'S REPORT
to the
BOARD OF REGENTS
February 16, 1978

NON-RECURRING ITEM Action

Pursuant to the authority granted in their various bond indentures, Illinois State University advertised an "Invitation for Tenders" for the purpose of early retirement of revenue bonds. The University recommends the acceptance of the following tenders and requests authority to notify the holders of bonds tendered by mail of the acceptance of such bonds not later than the 17th day of February, 1978; and to request the holders of those tendered bonds at their expense to cause said bond or bonds with all subsequent unmatured interest coupons attached as provided by the published notice of Invitation for Tenders and in the case of Registered Bonds accompanied by duly executed instruments of assignment or transfer, to be delivered promptly as follows: Series of 1950, The First National Bank of Chicago, Corporate Trust Division, Bond & Coupon Redemption Unit, Chicago, Illinois 60690; Series of 1954 and 1959, Harris Trust and Savings Bank, Corporate Trust Operations Division, 311 West Monroe Street, Chicago, Illinois 60690; Series of 1961, Continental Illinois National Bank and Trust Company of Chicago, Security Transfer Division, 231 South LaSalle Street, Chicago, Illinois 60693; Series of 1963, National Boulevard Bank of Chicago, Trust Department, 400 North Michigan Avenue, Chicago, Illinois 60611; Series of 1965 and 1967, Bradford Trust Company, 2 Broadway, New York, New York 10004.

Acceptance:

<u>Series</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Total Par</u>	<u>Total Discount</u>	<u>Total Price</u>	<u>Yield</u>
1950	2.5 %	10-1-83	\$ 50,000	\$ 7,750	\$ 42,250	5.75808 %
1950	2.5	10-1-84	55,000	8,525	46,475	5.29163
1950	2.5	10-1-85	5,000	775	4,225	4.94981
(The bonds listed above were tendered all or none)						
1967	4.875	4-1-91	20,000	1,334	18,666	5.57743
1967	4.875	4-1-94	5,000	350	4,650	5.50861
1963	3.75	6-1-95	10,000	2,476	7,524	5.94083

Acceptance:

<u>Series</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Total Par</u>	<u>Total Discount</u>	<u>Total Price</u>	<u>Yield</u>
1963	3.7 %	6-1-99	\$ 10,000	\$ 2,500	\$ 7,500	5.59072 %
1967	4.75	4-1-02	100,000	17,000	83,000	5.97356
1967	4.75	4-1-03	5,000	550	4,450	5.4965
TOTAL			\$260,000	\$ 41,260	\$218,740	

The University recommends the rejection of the following tenders and requests authority to notify the holders of the bonds tendered by mail of the rejection of such bonds not later than the 17th day of February, 1978.

Rejection:

<u>Series</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Total Par</u>	<u>Total Discount</u>	<u>Total Price</u>	<u>Yield</u>
1961	3.8 %	10-1-80	\$ 55,000	\$ 1,650	\$ 53,350	5.04783 %
1965	3.8	10-1-83	5,000	12	4,988	3.84995
1963	3.75	6-1-84	25,000	-	25,000	3.75
1959	4.25	7-1-84	25,000	-	25,000	4.25
1963	3.75	6-1-86	175,000	4,380	170,620	4.10753
1963	3.75	6-1-87	180,000	4,505	175,495	4.07403
1954	3.0	10-1-87	50,000	9,000	41,000	5.38608
1954	3.0	10-1-87	30,000	4,800	25,200	5.09659
1967	4.875	4-1-88	75,000	1,200	73,800	5.07610
1963	3.75	6-1-88	125,000	3,129	121,871	4.047
1965	3.75	10-1-88	165,000	4,130	160,870	4.03913
1959	4.25	7-1-89	55,000	2,310	52,690	4.72377
1965	3.75	10-1-89	170,000	4,255	165,745	4.01828
1963	3.75	6-1-90	150,000	3,754	146,246	4.00629
1959	4.25	7-1-90	75,000	3,525	71,475	4.74678
1959	4.25	7-1-90	60,000	3,000	57,000	4.77934
1961	3.9	10-1-90	120,000	11,400	108,600	4.89592
1965	3.75	10-1-90	230,000	5,757	224,243	4.00075
1963	3.75	6-1-91	50,000	7,350	42,650	5.25949
1959	4.25	7-1-91	70,000	3,850	66,150	4.79905
1959	4.25	7-1-91	75,000	3,900	71,100	4.76827
1965	3.75	10-1-91	240,000	6,007	233,993	3.98579
1959	4.25	7-1-92	80,000	4,560	75,440	4.78849
1959	4.25	7-1-92	70,000	4,200	65,800	4.81775

Rejection:

<u>Series</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Total Par</u>	<u>Total Discount</u>	<u>Total Price</u>	<u>Yield</u>
1959	4.25 %	7-1-93	\$ 155,000	\$ 9,610	\$ 145,390	4.80786 %
1959	4.25	7-1-94	88,000	5,896	82,104	4.82647
1965	3.75	10-1-94	10,000	200	9,800	3.91077
1967	4.875	4-1-95	10,000	-	10,000	4.875
1959	4.25	7-1-95	70,000	5,040	64,960	4.84446
1965	3.75	10-1-95	100,000	5,000	95,000	3.84341
1963	3.75	6-1-96	5,000	802	4,198	5.04446
1959	4.25	7-1-96	152,000	11,704	140,296	4.86189
1965	3.75	10-1-96	100,000	17,000	83,000	5.10986
1967	4.875	4-1-97	5,000	-	5,000	4.875
1963	3.75	6-1-97	40,000	2,000	38,000	4.11504
1959	4.125	7-1-97	185,000	19,795	165,205	4.94959
1965	3.75	10-1-97	50,000	-	50,000	3.75
1965	3.75	10-1-97	10,000	1,500	8,500	4.89141
1965	3.75	10-1-97	200,000	35,000	165,000	5.1004
1967	4.875	4-1-98	5,000	-	5,000	4.875
1963	3.7	6-1-98	10,000	1,128	8,872	4.51761
1959	4.125	7-1-98	165,000	18,480	146,520	4.95993
1965	3.75	10-1-98	175,000	-	175,000	3.75
1967	4.875	4-1-99	5,000	50	4,950	4.94772
1963	3.7	6-1-99	5,000	125	4,875	3.86702
1967	4.75	4-1-00	300,000	-	300,000	4.75
1963	3.7	6-1-01	15,000	-	15,000	3.7
1967	4.75	4-1-03	5,000	150	4,850	4.94516
1967	4.75	4-1-03	10,000	500	9,500	5.07867
1967	4.75	4-1-03	5,000	250	4,750	5.07867

Rejection:

<u>Series</u>	<u>Coupon Rate</u>	<u>Maturity Date</u>	<u>Total Par</u>	<u>Total Discount</u>	<u>Total Price</u>	<u>Yield</u>
1967	4.75 %	4-1-03	\$ 5,000	\$ 113	\$ 4,887	4.89646 %
1967	4.75	4-1-03	5,000	113	4,887	4.89646
1967	4.75	4-1-04	150,000	5,445	144,555	4.98118
1967	4.75	4-1-04	5,000	-	5,000	4.75
1967	4.75	4-1-05	5,000	-	5,000	4.75

BONDS TENDERED ALL OR NONE:

1950	2.75	10-1-79	45,000	2,475	42,525	6.44418
1950	2.75	10-1-80	50,000	2,750	47,250	5.03734
1950	2.75	10-1-81	50,000	2,750	47,250	4.41974
1950	2.75	10-1-82	50,000	2,750	47,250	4.07196

BONDS TENDERED ALL OR NONE:

1954	3.5	10-1-82	65,000	3,575	61,425	4.84556
1954	3.5	10-1-83	70,000	3,850	66,150	4.62206
1954	3.5	10-1-84	70,000	3,850	66,150	4.46616

TOTAL			\$4,805,000			
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Minutes of the Meeting of the
BOARD OF REGENTS
Northern Illinois University - DeKalb, Illinois

March 16, 1978

The regularly scheduled meeting of the Board of Regents convened at 10:00 a.m. on March 16, 1978 in the Sky Room of the Holmes Student Center at Northern Illinois University, DeKalb, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order, roll was called, and the following members were present:

Mr. Michael J. Brady	Mr. Charles B. Shuman
Ms. Carol K. Burns	Mrs. Eleanor R. Suggs
Dr. Dan M. Martin	Ms. Kimberly A. Theobald
Mr. James M. Patterson	Ms. Jill Welander
Mr. Richard Resnik	Mr. David E. Murray, Chairman

Dr. Harry L. Wellbank was not present for the meeting.

Also present were:

Dr. Lloyd I. Watkins, President, Illinois State University
Dr. William R. Monat, Acting President, Northern Illinois University
Dr. John H. Keiser, Acting President, Sangamon State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

Others in attendance included staff members from the Universities and the Central Office; Mr. James M. Winning, Legal Counsel to the Board; members of the Joint University Advisory Committee; and representatives of the news media.

The minutes of the meeting held on February 16, 1978 had been distributed in advance of the meeting, and the Chairman asked if there were any comments, additions or corrections to be offered.

Dr. Matsler asked that on page 21 in the item pertaining to Section XVI - Grants and Contracts a correction be made to change the reference to Dean Heald rather than Dean Hale (first line of the third paragraph from the bottom).

Mr. Murray requested that on page 8 the statement, "Mr. Resnik said he would like to see more of an effort to support the Governor's position on tuition", be inserted in the appropriate place in the preceding paragraph to reflect the actual sequence of the conversation.

Mr. Winning said that while he did not wish to request that the minutes be corrected, he would like to point out in connection with the statement in the Legal Counsel's Report on page 28, ". . . Mr. Winning would ask the Board of Regents at this time to reaffirm their current practice of paying the income from the Shepherd property to the Foundation in order to, basically, pay off the purchase price of the Shepherd property", that this is not the basis upon which the Foundation should receive the income from the property. Rather, he said, it is because the Foundation paid for the property and is entitled to the income. What the Foundation decides to do with respect to donating it or treating it as purchase price for it is totally their decision. Mr. Winning said he just did not want the suggestion of his statement to indicate that the Board has any claim on that income at all. It does belong to the Foundation, and the Foundation has to decide what to do with it.

Dr. Martin moved for approval of the minutes of February 16, 1978 as corrected. The motion was seconded by Ms. Burns, and it carried unanimously.

CHAIRMAN'S ITEMS

Mr. Murray said on behalf of Dr. Martin, Ms. Burns and himself he would report that all three had been pleased to be able to meet with the NIU Student Association the preceding evening, and the interchange that occurred, he believes, was beneficial to them. Two or three students did come to him with something in the nature of an apology for the rough treatment they received, he said, although he did not feel that way at all - but rather enjoyed the evening. Mr. Murray said he would hope that members of the Board would be invited back at least on a yearly basis. He would hope, he said, that members of the Student Association, in some measure at least, developed a little more appreciation for the responsibilities of the members of the Board and their positions with regard to those responsibilities.

Mr. Murray said he had been interested in hearing the SA members' attitudes on various subjects to which they are very close, and they appreciated the opportunity to meet with members of the Student Association.

Dr. Martin commented that he thought it was beneficial that Mr. Murray had been able to clarify the question about the salaries of members of the Board of Regents.

Mr. Murray agreed, noting that it was apparent last evening that at least some of the members of the Student Association did not realize that the members of the Board of Regents are not salaried. He would hope that some of the reporters for the Northern Star might somewhere clarify that fact for students - that members of the Board are appointed. They have been appointed with the admonition of every Governor involved - indirectly if not directly - that they were to represent the universities, the students and the taxpayers to the best of their ability, and to be independent from the standpoint of politics and exercise independent judgment. Mr. Shuman noted that the Regents also receive no per diem. They do receive 15¢ per mile for automobile travel and additionally are reimbursed for out-of-pocket expenses incurred. Mr. Murray said a comment had been made last night that the Board could fund the position of Ombudsman at

at Northern by reducing the Regents' salaries, and in the same sentence the young man indicated that he thought Mr. Murray was naive about certain things. The exchange of viewpoints, he said, added to an understanding of both positions.

Mr. Murray announced that under date of March 7, 1978 the Governor appointed as a temporary member of the Board of Regents, until confirmed by the Senate, Mr. D. Brewster Parker of Lincoln, Illinois, to replace Mr. Guy Prisco for the term expiring January 15, 1979. Mr. Murray said while he does not have a great deal of background on Mr. Parker, he understands that he is a graduate of a law school, although not a practicing attorney, and owns and operates the Logan County Title Company.

Dr. Matsler reported that he had talked by telephone with Mr. Parker who advised him that he would have liked to attend today's meeting, but was unable to do so.

Mr. Murray noted that in discussions a few months ago the Board talked about the desirability of having a self-study of the Board of Regents. Dr. Matsler has tentatively set this retreat, which will be held under the auspices of the Association of Governing Boards, for May 5 at the Lorado Taft Campus of NIU. The Board and the three presidents will meet for an all day session on that day. More details will follow from the Central Office, Mr. Murray advised.

As most Board members are aware, the Chairman said, we have received a certain amount of criticism from the Legislative Audit Commission for certain things at Northern and for the matter of the farm income at Sangamon State. He said he had asked Dr. Matsler to briefly outline those particular criticisms and give the Board a few words about NIU and Sangamon's position with respect to the criticisms.

Dr. Matsler said he would ask Mr. Keating to join him at the Board table and go over some of their notes on these matters. First, he said, he would read a statement which he had prepared:

"The FY76 audit reports for all three Regency universities were scheduled to be reviewed at the February 28, 1978 meeting of the Legislative Audit Commission.

"After disposing of the ISU reports on that date, the tone of the meeting was immediately set by Auditor General Cronson upon his reading a prepared statement pertaining to NIU. His remarks included such references as 'deliberate and, . . . brazen disregard of legislative intent implicit in the cumulative impact of the actions of this particular university', and 'evidence of behavior and of an attitude which offer little hope for improvement unless fundamental changes occur'. In my judgment, these statements preempted any opportunity for a rational item-by-item discussion of the issues involved.

"NIU, along with other universities in the State, has literally spent hundreds of manhours attempting to resolve many of the issues in question. While the Auditor General's right to an opinion in these matters is respected, the university obviously does not always accept such opinions. And when the university receives legal opinions from its own attorneys and Board of Regents legal counsel which advise that its actions are indeed legal and sometimes often mandatory, the university has little choice but to follow this advice.

"In today's meeting, we plan to review with you the major unresolved issues with the objective of better explaining to you the true nature of these items."

Dr. Matsler said he had distributed to members of the Board a paper entitled Discussion of FY76 Audit Findings, listing the issues; and that he and Mr. Keating would try to make sure the members of the Board do understand what the issues are.

Northern Illinois University

1. Parking Fund: The issue is whether or not Northern should be required to deposit into the State Treasury, via its Income Fund, moneys collected for support, maintenance, and development of its parking facilities.

This amount, Dr. Matsler said, is about \$700,000. The Board would remember that well prior to July 1, 1977, it had authorized the parking structure and that in June 1977 these plans were revised to permit additional surface parking. They believe, he said, there are no real excess funds; these are development funds which we have been collecting since 1968 and planning to use for parking purposes. These funds have been put into the budget. The Board of Higher Education and the legislative staffs know of these funds, and they are always included in our RAMP documents. We actually collected these funds under direction of BHE policy back in 1968, and we believe that it is most appropriate to continue the practice we are now following. As a matter of fact, Dr. Matsler said, we are underway with the surface parking and, hopefully, the project will be completed in not too many months from now.

2. State Subsidy of Revenue Bond Operations: The issue here, Mr. Keating said, is should Northern discontinue use of appropriated funds to partially subsidize revenue bond operations, thereby necessitating an increase in student room and board charges, even though all other state universities of a residential nature in Illinois do use such a subsidy, either directly or indirectly. By that statement, Mr. Keating said, he means that the U. of I. and Southern can say that they do not use appropriated funds to pay for any revenue bond costs, but their practice does provide an indirect subsidy.

Is it correct, Mr. Murray asked, that in our case we are talking specifically about utilities?

We are in our case, Mr. Keating said, at Northern. The U. of I. and Southern have in their section of the Finance Act language which permits them to retain tuition fees without depositing them and having them appropriated back. The Board of Regents must deposit all such moneys, as does the Board of Governors.

They do not deposit these moneys, Dr. Martin asked? Mr. Keating said they determine what they want to retain for this purpose and not deposit the money. So the money is not appropriated back to them and they have complete control over that. They determine what part of tuition they need for revenue bond support - for utilities, or whatever. What they actually use it for is for debt retirement - payment of principal and interest - which in turn frees up other revenue bond money to pay for utilities. Do they have complete discretion on that, Dr. Martin asked? Theoretically, yes, Mr. Keating responded.

In view of this situation, Mr. Patterson inquired how we became singled out for this. Mr. Keating said as he understands the history, the U. of I. and Southern statutes were written first. Much further down the line, the old Teachers College Board came into being, and when they started, at that point they were not even charging tuition, so the question was moot. Also, he said, they did not have the political clout to get that language into the Act. The Board of Regents, of course, inherited the Teachers College Board and Board of Governors language when our portion of the Finance Act was written. The question is one of equity. We feel that equity among systems is important, and we think that the BHE has been making efforts to reach an equitable situation so that no one public university in Illinois is penalized by having a much, more lower subsidy - whether direct or indirect - of revenue bond operations, and therefore have to raise room and board charges.

Dr. Martin asked if the money which the U. of I. or Southern might withhold from the Income Fund is forgotten about in terms of the appropriation from the Income Fund. It is never appropriated, Mr. Keating said, because the universities simply retain it, just as we do with certain local funds. Then does the appropriation which comes through from the Income Fund reflect what they deduct, or do they in fact get double payment, Dr. Martin asked? In theory, Mr. Keating said, you are supposed to ask for an appropriation of what you expect to deposit.

Again, Mr. Keating said, he wished to stress the question of equity, plus the fact that our Legal Counsel tells us that since our bond series starting back in 1950 were sold to the public with projected expenses computed on the basis of an assumption that the subsidy of utility costs would continue, there is at least an implicit covenant with the bond holders; and if we discontinue doing this, it is conceivable that there might be bond holders' suits.

What is the nature of our current subsidy practice, Dr. Martin asked?

It is all for utilities at Northern, Mr. Keating said, and for the current year he believes it is \$1.219 million. The current plan for FY79 is to go down to \$985,000. But, Dr. Matsler said, we are unwilling to advise Northern to reduce this to nothing if other institutions in other systems continue to get the subsidy, and if legal counsel tells us that it is appropriate to continue to pay this as we are now doing. We will probably lower the amount, he said, but it will only be because of equity with other institutions, and with the advice of the Board of Higher Education.

Dr. Martin said he does not understand the difference - wherein the inequity arises - if the amount of money coming to the institutions from the Income Fund is the same whether it is appropriated or not.

None of the money comes from the Income Fund for utilities, Mr. Keating advised, it comes from general revenue. What is the consequence of this, Dr. Martin inquired. If we were forced to eliminate this subsidy of \$1.2 million, Mr. Keating said, or decrease it substantially, we could only make up this money in one of two ways. In short term, maybe for one year, we might be able to use part of the accumulated revenue bond surplus moneys; but that would rapidly run out. Then the only alternative is to raise student room and board fees. There is another alternative, which would be to attempt to get the statute changed, but in recent years the trend has been in the opposite direction. The Governor is talking the other way, Dr. Martin noted, on tuition. Mr. Keating said we are in agreement with the Governor's position. Maybe we can hook tuition and fees together, Dr. Martin suggested.

3. Year End Spending Practices: The issue here, Dr. Matsler said, is did the "late in the year" spending decisions made by NIU represent good management practice in a tight budget period or apparent questionable "manipulation of funds" as implied by the audit finding.

Dr. Matsler said there were some legitimate budget transfers made. He noted that practically every year Mr. Shuman reminds us that we should not spend funds unnecessarily, and we all recognize that there should be no manipulation of funds. Dr. Matsler said he does not believe that Northern has done that. The IBM lease payment was a legitimate expenditure. It was a very small amount of money in terms of the total contractual services line item of \$5.5 million. We think this was a good management decision, but recognize that anyone could disagree with this and say that it should have been budgeted down to the last penny.

How much was paid, Mr. Patterson inquired? Out of the \$5.5 million, Dr. Matsler said, this one payment amounted to \$165,000 which was spent during the month of June 1976. This was one of the examples which the auditors used.

To insure that there is no misunderstanding about this, Mr. Shuman said, it should be pointed out that this was spent on a contract, a five year contract. This was a pre-payment of the last year, Dr. Matsler said, which would save the university the interest on the last year of the contract.

This was something that was contracted for, Mr. Shuman emphasized, and was not a situation where right before the end of the fiscal year they ran out and bought something like a bunch of typewriters that may or may not have been used.

This prepayment of an IBM contract was one of several examples cited in the audit review, Mr. Keating pointed out. It happens to be the largest one and the only one in which a legal question has been raised. Legal Counsel for the Board supports us that there is no legal question here and that we did have a valid obligation at the end of the fiscal year to pay - and that was the basis of the legal question. There were other examples given, he said, but basically it is a question of subjective judgment -- on the one hand, that this was a manipulation of funds, and on our part, that it was good management.

4. University Health Service: The issue in this instance, Dr. Matsler said, is should NIU reduce or eliminate the Infirmary operation in the Health Service as recommended by the auditors.

As the Board knows, the University last year did hire a consultant and is continuing to explore the matter, Dr. Matsler advised. Of course, this is a management decision, he said, not an auditor's decision. As far as the legality of the situation, there is no question about that. As far as whether or not the university should be doing this, Dr. Monat would be speaking to the matter of the Dunes Report at the time his Report was under consideration by the Board.

Mrs. Suggs inquired if there has been any discussion with the area HSA as to the role of the Health Service. Is it in their implementation plan? Dr. Matsler said he did not know the answer to that question. The Infirmary has been at NIU since 1968, so it probably did not go to the HSA. Mrs. Suggs said when the HSA does its review of existing services it does include free standing services like this, and justify or condemn if it does not fit into the overall area health service plan. To justify the Board's position of supporting the Health Service, she thinks it would be wise if we talk with the agency to see if they would support our continuation of this. It might be appropriate to do that, Dr. Matsler said, although he does not recall that the Dunes Report included any consultation with the local HSA. Mr. Murray suggested that this could be discussed when the President's Report for NIU was under consideration by the Board later in the meeting.

5. Continuing Education Fees for Non-Credit Courses: Mr. Keating said the issue here is whether NIU is in violation of the State Finance Act by not depositing into the State Treasury, via its Income Fund, fees collected for Continuing Education non-credit courses in the Public Service area.

This clearly is not in violation of the Finance Act, Mr. Keating said,

and Mr. Winning would support that position. Furthermore, he said, the guidelines that were later developed after the 1976 audit for implementation in 1978 permit exactly what we are doing and what we have been doing all along. There is no basis for this finding, he said, as far as he can tell.

6. Field House (Revenue Bond Series 1956): The issue in this instance, Dr. Matsler explained, is what disposition should be made of the surplus existing in this bond series and what effect, if any, should that disposition have upon the fee currently being charged to students.

The recommendation was to immediately discontinue the student fee related to the Field House, based on the fact that the bonds outstanding totaled only \$253,000 and there was a fund balance of \$664,000. This was a 1976 fiscal year report, he noted, and since that time the University has cut this fee in half. There is only another three years to go, and bonds have been paid off now down to \$49,000, and he feels that the decisions made by the University, with Board concurrence, are appropriate.

Dr. Martin asked what is the plan for the use of the remaining money. Dr. Matsler explained that some funds have to be used for operation and maintenance, and there has to be some money available until such time as the Field House becomes a state building - which will be in about three years. This is now a bond revenue facility, but when the bonds are paid off it becomes a state building. At that time, we will be asking for regular general revenue appropriations for the facility, but up until that time we need funds to maintain and operate the facility.

Further, Mr. Keating explained, the existing surplus could be used for a variety of things, to be determined by the university and approved by the Board. Staff is suggesting very strongly that the university come to the Board very soon with a plan for the use of the funds. The funds could be used for the purchase of equipment, for necessary remodeling, for the elimination of the student fee or to reduce it further, or for some combination thereof.

7. Elimination of Revenue Bond "Excess" Funds: Mr. Keating explained that the issue here is for what purposes should NIU use its surplus revenue bond funds and, within legal parameters, who has the authority to decide what constitutes proper usage thereof.

The term "excess" is an unfortunate adjective, Mr. Keating noted, because there is no such thing as "excess" funds in the revenue bond area so long as there are bonds outstanding in that series. Legally there cannot be "excess" funds. There are surplus funds which are not to be deposited into the State Treasury, but rather to be retained by the university. He said he thinks that the Auditor General finally recognizes this point since he does not suggest that we turn these moneys into the State Treasury, but does

suggest that we use them for one of three purposes: reduction of student fees, improvement of student services, or elimination of utility subsidy.

Are these reasonable recommendations, Dr. Martin inquired? Yes, Mr. Keating said, except they do not go far enough. There are other possibilities, he said, such as capital improvements and early retirement of bonds which will reduce costs to students in later years. Did the Auditor General invent this terminology of "excess" funds, Dr. Martin asked? The term "excess" funds, Mr. Keating said, is terminology taken from the Finance Act. Mr. Winning said he thinks it was an early misreading of the Finance Act as it applied to revenue bond surplus, but he believes that this has finally been resolved. Mr. Keating said we have already reduced the student fee since the audit was completed by 50%. He said we also totally disagree with the IRS formula that the auditors use to calculate a portion of this surplus because it is very inappropriate for a university operation. It ignores such things as the cash flow problems during the summer months and comes up with ridiculous results.

8. Excess Cash Balances - Local Funds: The issue in this case, Dr. Matsler explained, is whether NIU should develop guidelines for determination of excess funds in local fund balances and annually deposit any excesses into the State Treasury, via its Income Fund.

Our response, Dr. Matsler advised, is that we have developed guidelines, and as the Board would remember these were brought to the Board last year for approval. In fact, he recalled, he remembers Mr. Brady questioning the quickness with which Staff was recommending action on the guidelines. Staff, however, did feel that it was important to get the guidelines underway, although it would have been better if we had had more time to discuss them. We do have the guidelines now and we are attempting to abide by them, he said. There are differences, tho, in interpretations of the guidelines, and he suspects that we will have continued problems of interpretation. One of the problems is the timing of the use of the guidelines. But, he said, he believes that all of the universities in the state are attempting to continue to develop the guidelines, adopt them, and live by them.

Mr. Keating added that from his observation he thinks that Northern has progressed as far as any university in the state in development and implementation of the guidelines - and farther than some.

Mr. Brady asked if the guidelines which we adopted are consistent with those of the other systems. The guidelines are the same, Mr. Keating said, but the interpretation of the guidelines is not consistent with the Auditor's interpretation.

Mr. Murray said that while this might not be entirely indicative of eternal truth, he would point out that NIU has included in the 1979 RAMP submission a much larger deposit of such funds than any other university, and it has been increasing since 1976. But the auditors are still not happy, Mr. Brady noted. Well, Mr. Murray commented, if one wanted to go back to 1955, it would probably be worse, and that is what the auditors chose to do.

9. University Press: Mr. Keating said the issue here is whether NIU should continue to subsidize its University Press operation with State funds, or whether it should be operating on a self-supporting basis.

The question posed in this issue, he said, is really not the basic question. The basic question goes to the heart of the authority of the Board of Regents to manage the university as opposed to the auditors or the legislature. He thinks whatever we do with the University Press is a Board decision. That, basically, is the problem. In the audit findings and in the last Legislative Audit Commission meeting several questions specifically of the details of the University Press operation were discussed, although he saw no need to go into those at this time. There is a study going on, Mr. Keating said, and he thinks that President Monat will be coming in with a report on this in the not too distant future.

Mr. Murray noted that SIU at Carbondale and the University of Illinois each spend almost twice as much as we do from appropriated funds for their university presses.

10. Separate EDP Line Item: The issue in this instance, Dr. Matsler said, is whether NIU, together with the other State supported universities, is in violation of the State Finance Act and CUSAS requirements by not requesting a separate EDP line item in its annual appropriation bill.

In this particular instance, Dr. Matsler said, we think we will need some coordination from the Board of Higher Education or from other sources. It would, he thinks, be wrong for Northern or for the Board of Regents to unilaterally begin a practice that has not been mandated by the Comptroller who approves the expenditure of our funds. Until such time as the entire system of systems goes to this practice, Dr. Matsler said, we should not do it either. As a matter of fact, he continued, we can see what this would do. If we were to take all computer operations and have to place them in one line item, and then break that line item down into further items such as personal services, hardware, equipment, or whatever, the lack of flexibility would be tremendous. We feel that it would be detrimental to move in this direction, he said. Why Northern was singled out from all of the institutions in the state for this particular finding, he said, we do not know for sure. In any event, we think we should not move in this direction until such time as we are assured that there is equitable treatment of all systems.

Has the Auditor General made studies like this of other systems, Dr. Martin inquired, although he realizes that they cannot do each institution every year. Every institution is audited, Dr. Matsler advised, but a different auditor is chosen by the Auditor General for each institution; and these auditors have different opinions as to interpretation of the laws. This particular year we had an auditor who took issue with many of our practices, whereas in other years we would not receive such audit findings. What Dr. Matsler said is true, Mr. Keating said, although he may have stopped short of an important point: the staff of the Auditor General exercises a considerable amount of

influence over what appears in the audit reports and how the findings are stated. Why Northern was selected out on this particular issue, he has no idea, and he is not sure that anyone else has. But Staff does have reports on other systems and can identify the serious inconsistencies between findings, Dr. Martin asked? Mr. Keating said we can tell by looking at the appropriation bills for the other systems that they do not have separate line items, but to the best of his knowledge, this particular finding was not in their audit reports.

What about some of these other matters, where there is a question of equity, Dr. Martin asked. Are the reports on the other systems public documents? Yes, Mr. Keating said. Has Mr. Keating examined them, Dr. Martin asked? Some of them, Mr. Keating replied, and we have taken some data from their financial statements.

For example, Dr. Matsler explained, just about all of the institutions have parking funds. As he said earlier, we have been doing this since 1968 when it was set up by the Board of Higher Education as a way of budgeting and a way of operating. If we were to have set it up another way in 1968 whereby all of the parking funds were to be turned over to the State Treasury and reappropriated out, he suspects that we would not have been able to develop the parking that we do have. Heaven knows, he said, that ISU and Northern need better parking than they have now. We do feel stymied sometimes, Dr. Matsler said, we try to plan ahead as best we can with the funds that we have, and we have run into problems of saying whether or not we can do it, even though these funds do belong to the faculty and students at Northern.

In answer to Dr. Martin's question, Mr. Murray said, he thinks Illinois State handles its parking fund exactly as Northern does, yet ISU got a report that they were as clean as a hound's tooth, and Northern was written up for this. It is probably true that at that moment in 1976 Northern had more money in its fund because we were embarking on the possibility of a parking structure, but as he understands it, the guidelines say that we can't spend the money for a free standing structure. Is that correct? Yes, Mr. Winning said, under the guidelines as adopted in 1977 for application in 1978.

One difference, Mr. Keating said, is that ISU had been using their parking fees more currently for the purchase of surrounding property, whereas Northern had been accumulating the funds initially for a ramp, and now for the surface lot. But it is correct that every penny from the parking fund was used correctly and not diverted in any way, Mr. Murray asked? That is correct, Mr. Keating said, and it is not only true at ISU, but at all other universities, that this kind of income is retained.

This is not the only area in which Northern has come under attack, Mr. Patterson noted. His impression is that among the health facilities, Northern has one of the better ones, and yet they have come under attack for this also.

Mr. Murray said there is a certain amount of difference in the way the universities handle funds, and there can be some distinctions drawn; but it seems to him that the parking fund is directly comparable at every other public university. And, he said, if he is correct, he thinks the same auditing firm that did Northern's audit also audited other state universities, but wrote Northern up for things that they approved at other institutions. Mr. Keating said this particular firm has done universities for about 15 years. Who is the firm, Mr. Murray asked? Clifton-Gunderson from Peoria, Mr. Keating advised.

Dr. Martin said he had no wish to prolong this discussion, but he would note that the State does need to have this sort of function performed - if it is done on a professional and consistent basis. But he thinks that anyone has a strong case to complain when they are faced with this kind of inconsistency and apparent irrationality in the application of standards, and with what he would term as a downright unprofessional approach.

Dr. Matsler said we feel that we can make our case, not on the consistency of the auditors or how other institutions or systems are treated, but rather on an item-by-item basis that it is appropriate that we operate the way we are doing under existing law and under traditions of budgeting in the state. He recognizes what Dr. Martin is saying, he added, and it is frustrating; but he does think that we can make our case all the way through on the basis of our rationale for the practices that we follow.

As a Board and as a Staff, Dr. Martin said, this is probably exactly the way we should go, particularly when we have a strong case. However, he said, as a citizen that gets involved in this sort of thing, he is certainly inclined to make known to people that he thinks are involved - in the legislature - that this is a sloppy operation in the Auditor General's office.

Mr. Murray said quite frankly he thinks the Auditor General took a cheap shot at us by using the 1976 review when the guidelines were not adopted until 1977. Several of these things have been altered in conjunction with those guidelines since then, however, and these will probably come out when we have our meeting with the Legislative Audit Commission.

Mr. Keating said we could have made our argument primarily on the basis suggested by Dr. Martin on most of these items - not all of them - but as Dr. Matsler said, we feel that it is stronger and more rational to use the other approach. Just because someone else does it, doesn't make it right.

But, Mr. Brady said, it does provide some support for the notion that we operated properly from a legal point of view and from a management point of view; and he thinks it reflects on the quality of the report from the auditor that these criticisms were made when, in fact, other institutions were operating under similar advice and operating in the same way. Dr. Martin agreed, stating that the citizens of the State have a right to

expect a consistent application of sound auditing standards. We need that, he said, and having that function there and that office there he would certainly support with as much fervor as the disappointment and dissatisfaction he has expressed about the way the function is being carried out in this case.

11. Nepotism: The issue in this case is whether the present nepotism policy of NIU and the Board of Regents represents good management practice and meets federal requirements; and does the Board of Regents have the authority to make this determination.

Mr. Keating said it is their feeling that this question may be one of the easiest to defend. Again, he said, this certainly goes to the heart of the question of who is going to manage the university -- the Board or the Auditor General. But it also shows a complete lack of understanding of two things on the part of the auditors. First, our own Board Regulations. They have said that we are in violation of our own Regulations at Northern on our nepotism policy, specifically with faculty and administrative employees - spouses of present staff members. We are not, Mr. Keating said, and to the best of his knowledge, never have been. This issue also reflects a lack of knowledge on their part of the federal affirmative action requirements - because if we did what they have suggested, we would be in violation of those federal requirements.

Sangamon State University

1. Resulting Trust, Shepherd Farm Property: The issue here, Dr. Matsler said, is should any of the income from the Shepherd farm property be deposited into the State Treasury via the SSU Income Fund.

Dr. Matsler said this matter, a legal matter, had been discussed at last month's meeting so that there was no need to discuss it further at this time.

Summing up, Dr. Matsler said these are the more significant of the 35 findings in the NIU audit review. It is really not all that complicated, he said, but Staff feels that the Board should be aware of the findings, should it have any suggestions for the universities. We now have an invitation to appear before the Legislative Audit Commission on April 11, he advised, and each individual Board member has received the invitation. The Board must now decide what it wants to do -- attend as a Board, as individual members, or send several representatives.

Mr. Patterson suggested that the Chairman accompanied by the Vice Chairman, if possible, would be all the representation the Board would need - unless one or both could not attend. In this event, someone else could be selected.

Mr. Shuman said in the first place some members of the Board might have conflicts. He could not possibly accept the invitation, he said, and anyway he would not be inclined to accept it because he reads between the lines that it is an

attempt to "educate" us, and probably designed for maximum publicity purposes for a gentleman who is politically ambitious - as many in Springfield are.

Mr. Shuman then moved that the Board authorize the Chairman to designate the representatives of the Board of Regents to appear before the Legislative Audit Commission. The motion was seconded by Mr. Patterson.

Mr. Murray said he had not given a lot of thought to the matter, but he would think it unnecessary to send more than two to the meeting. If Dr. Martin could accompany him, fine. Mr. Patterson said he would probably be able to attend if Dr. Martin was unable to appear.

The question before the Board was called, and the motion carried unanimously.

Ms. Welander asked how strong our defenses are, and if there are any of the charges on which we are particularly vulnerable.

The reason Staff brought this to the Board today, Dr. Matsler said, was to show the Regents what the issues are. Counsel has been meeting with the university and with Staff, and it is felt that we are acting appropriately. At the moment, he said, he does not think that we need to be defensive because we are operating very appropriately. As far as the differences of opinion are concerned, they are honest differences, and we will be happy to debate the issues with anyone, or let counsel debate the legal issues if they want to.

Mr. Murray said we feel that the questions are defensible, and if they cannot be resolved in a friendly way, certainly it will be a subject for court determination. It is not a matter that is as grave as the Auditor General's statement about our brazen and callous attempts to ignore the law. The Finance Act is very vague, and while he does not know how long it took, he does know that the guidelines were developed by the financial officers of the systems over a period of several months. That is the disturbing part, he said, that the Auditor General totally ignores the guidelines which NIU and the other universities have all been endeavoring to follow. But they were not in effect when the FY76 audit report was prepared, and since then there have been some significant changes in accordance with the guidelines. That is his reference to a cheap shot, Mr. Murray said. The Auditor General goes back to 1976 and writes up these callous and brazen attempts, but when he is faced with 1978, it will be a vastly different situation. When he attacks us using the 1976 review as his basis, Mr. Murray said, he cannot feel that he is being fair.

Mr. Patterson said what disturbs him is that people like that think there is something to be gained by throwing rocks at you. He ought to look at himself a little bit.

Mr. Murray said that as far as the media is concerned, this has been very bad public relations for Northern which they did not deserve, very detrimental and unfair. Mr. Murray added that we intend to suggest to the Auditor General that that is the way we feel.

Mr. Winning said that unless the legislature or the courts tell us otherwise, legal counsel is completely supportive of our position in every area of disagreement with the Auditor General. Mr. Murray said if accord cannot be reached, then we will litigate some of these things.

Mr. Murray asked if Dr. Matsler or Mr. Keating were going to discuss the matter of the Shepherd property at Sangamon State. Dr. Matsler said this was discussed last month, and earlier in this meeting Mr. Winning had advised that what we are doing is correct, and we must do that. The suggestion has been that we discontinue our present practice and sue to get the money back, and we do not think that would be appropriate.

REPORTS TO THE BOARD

Board of Higher Education

At the last meeting of the Board of Higher Education, Dr. Matsler reported, they did discuss the allocation of the Governor's recommendations which would be dealt with in more detail in the Executive Director's Report today. Also brought to the BHE was a recommendation regarding a veterinary school at Carbondale, and the recommendation was that such a school not be established. Such schools are expensive, and it was thought inappropriate to add to this field at this particular time when we do need to expand the regular medical schools. Another report of interest to everyone was relative to the energy plan, Dr. Matsler said, and he was very proud of our institutions because of the many programs we have relative to conservation of energy.

Sangamon State University Search Committee

Dr. Martin reported that the Search Committee did meet on March 6 to set up its schedule. The position has been advertised, the committee will be meeting again on April 10 which is just several days after the deadline for receipt of applications or nominations, and then the winnowing process will begin. He said the committee will keep the Board advised as things progress, and their goal is to be able to present some recommendations to the Board in June.

Northern Illinois University Search Committee

In the absence of Dr. Wellbank, Chairman of the Committee, Dr. Matsler reported that the committee had been formed and has had one meeting. Dr. Skeels is Vice Chairman of the Committee. The search is well underway, Dr. Matsler advised, and he feels that it is moving appropriately. The committee will meet immediately after the Board meeting today, he announced, to hear testimony and advice from various individuals and groups who wish to appear.

Joint University Advisory Committee

Mr. Koltun, Chairperson, reported that they met the preceding evening to discuss matters of interest, and he would relate some comments regarding the Executive Director's Report. With regard to Section VIII on the University Academic Plans, the committee had an extended discussion on the recommendations in the EDR to suspend the Russian Studies programs at the two universities. The committee was particularly concerned with the speed with which the recommendation is brought

to the Board. While the committee does not challenge the power or the appropriateness of the Staff making a recommendation with regard to the elimination or suspension of programs, particularly during periods of tight budgets and different interests, they do question whether the suspension of the program is the most appropriate recommendation in this case; and they are particularly concerned with the short period of time from the communication of the recommendation to the campus and the next Board meeting. This gives too short a time period for concerned faculty to make any kind of a presentation to the Board, particularly in light of differing opinions as to when administrators and faculty were informed of this. JUAC does not have any specific proposal in this regard, Mr. Koltun said, but there was some concern about the process involved.

With respect to Section V, the committee did look over the revised language with respect to the authorization of faculty and administrative positions, and feels that it is still in line with the committee's feeling that was expressed last month in favor of the proposal.

EXECUTIVE DIRECTOR'S REPORT NO. 95

Section I - Summary of Governor's Budget for Higher Education - FY1979

Dr. Matsler advised that Mr. Richard Lim, Budget Officer with the Central Staff, had prepared this analysis of the Governor's budget. He said he would point out just a couple of things of particular interest to the Board. For instance, on page 1 of the Report, a list would be found of allocations to the various categories from the General Revenue Fund: Public Aid, Elementary and Secondary Education, Higher Education, Health, Other Human Services, and All Others. General Revenue allocation for higher education is now at a level of 13%. He noted that for the past five or six years the proportion of the total state support for higher education has been decreasing, at a time when our enrollments have been actually increasing. This is the first year, Dr. Matsler said, that there has been a slight turn around, and it is comforting to know that there is an effort on the part of the Governor and the Board of Higher Education to attempt to stabilize this decreasing proportion of the total appropriations that have gone to higher education. Dr. Matsler called attention to page 3 of the Report, indicating that the Community Colleges are getting about a 7.2% increase; the Illinois State Scholarship Commission about a 8.9% increase; and private higher education in Illinois continues to get a considerable amount - about \$85 million. This is an interesting fact of which we should be aware. Roughly, he said, about 65% of the ISSC monies goes to private higher education. This is caused by student choice of private institutions. There is also about \$9.2 million for the Illinois Financial Assistance Act which goes directly to the private institutions, and an additional \$14 million goes for Health Education Grants. There is also \$1.4 million in the Higher Education Cooperation Act.

Mr. Patterson asked what percent of the total goes toward private higher education. Dr. Matsler said it is roughly 10%. Then this is a relatively small amount, Mr. Patterson suggested. Yes, Dr. Matsler said, but the State of Illinois provides more support for private higher education than many states; but on the

other hand most of this is in the form of student assistance.

Dr. Matsler directed the Board's attention to Table 1 on pages 5 and 6 of the Report containing a summary of statewide higher education FY79 BHE recommendations vs. allocation of the Governor's budget for operations and grants.

Section II - Board Regulation Amendment: Taping and Filming of Board Meetings

Dr. Matsler presented for first reading an amendment to Board Regulations relative to Board meetings. He explained that on October 1, 1977 Public Act 80-862, which authorizes news media representatives to record by tape, film, or other means the proceedings at meetings of the Board of Regents, became effective. The Act establishes an affirmative duty on the part of any body subject to the Open Meetings Act to prescribe reasonable rules to govern the right to make such regulations. The proposed amendment will be presented for action by the Board at the next meeting, he advised.

Section III - Board Regulation Amendment: Travel Regulations

Proposed amendments to existing travel regulations were presented for first reading at the February meeting, Dr. Matsler advised. They are primarily of a housekeeping nature and do not affect current reimbursement rates for Board members and employees.

Before presenting the proposed amendments for approval, Dr. Matsler asked that on page 15 of his Report language be inserted in the last sentence of the first paragraph of Topic 1. b. (1) to read: "For purposes of the TA-1 requirement out-of-state travel is defined as any travel 50 miles or more beyond the boundary of the State of Illinois."

Staff recommends, he said, that the proposed amendments as revised be approved by the Board.

Mr. Patterson moved for approval of the proposed amendments. The motion was seconded by Mrs. Suggs, and it carried unanimously.

Section IV - Board Regulation: Reimbursable Business Expenses

The proposed regulation is primarily of a housekeeping nature, Dr. Matsler advised, and had been presented for first reading in February. Before presenting for approval, Dr. Matsler asked that in Topic 5 of the proposed regulation - Entertainment and Promotion - the last sentence be revised to read as follows: "This prohibition includes, but is not limited to, athletic events, conventions, and any other activity not involving Regency universities."

Staff recommends, he said, that the Regulation as revised be approved.

Mr. Patterson moved for approval of the Staff recommendation. The motion was seconded by Ms. Theobald, and it carried unanimously.

Section V - Board Regulation Amendment: Authorization of Faculty and Administrative Positions

The proposed amendment was presented for first reading in February, Dr. Matsler advised. At a meeting with the Presidents the preceding day, he said, a suggestion had been made that in Topic 2.a. language be inserted so that the first sentence of the third paragraph would read as follows: "Board approval must be obtained before authorized faculty positions are reallocated to administrative or other non-departmental organizational units." Staff supports the addition, he said.

Mr. Koltun, Chairperson of JUAC, had earlier indicated that the Committee believes the proposed amendment is satisfactory.

Mr. Patterson moved for approval of the proposed amendment as revised. The motion was seconded by Ms. Burns.

Dr. Hicklin of JUAC advised that the Committee had discussed this particular item and had interpreted the language to mean faculty. They were concerned, and are still concerned, that at this particular juncture with two acting presidents, in terms of managerial controls, that this wording was continued by the Board at this time. Their original concern was allocation of faculty positions to administrative positions, he said, but this other discussion arose last evening and the Committee was assured that it didn't just mean faculty positions. Dr. Matsler said he would assume that any switch in administrative positions would be coming to the Board.

The question before the Board was called, and the motion carried unanimously.

Section VI - Board Regulations Amendments: Transfer of Sick Leave

These amendments were presented for first reading in February, Dr. Matsler advised, and have been circulated to the institutions for review and comment. The universities concur in the proposed amendments. Staff recommends that the amendments be approved at this time.

Mr. Brady moved for approval of the Staff recommendation. The motion was seconded by Ms. Burns, and it carried unanimously.

Section VII - Board Regulation Amendment: Grants and Contracts

The proposed amendment relating to grants and contracts requiring Board approval had been presented for first reading in February, Dr. Matsler stated, and Staff recommends at this time that the amendment be approved by the Board.

Mr. Patterson moved for approval of the Staff recommendation. The motion was seconded by Ms. Burns, and it carried unanimously.

Section VIII - University Academic Plans: 1978-1983

Dr. Matsler noted that the complete academic plans for the three institutions had been furnished to the members of the Board. Dr. Groves and Dr. Floyd of the Central Staff prepared the Staff analysis and recommendations. Staff feels that the plans are probably the most complete in the State and they have received good comments from outside agencies. Dr. Matsler called attention to page 45 of the Report listing the new academic programs identified in the 1978-1983 Academic Plans for the next five years. Staff recommendations are listed on pages 43 and 44, he advised. Dr. Matsler then asked Dr. Groves to present the analysis of the plans.

Dr. Groves said Staff feels that the universities have done a superlative job of preparing the academic plans this year. The documents are large, he said, but are solid and useful from the perspective of Staff and the institutions. They contain an enormous amount of information which tells us a great deal of what is going on in the universities. Staff has had fruitful discussions with each of the university staffs on the plans and many points have been clarified about which there had been some interest or concern. A good many of those points are reflected in the narrative. Dr. Groves said he would simply go over some of the highlights of the report.

So far as scope and mission are concerned, he said, the university statements are basically similar to what they have been in the past, and that is to be expected. The universities have a good sense of where they are and where they are going. This is manifest in their scope and mission statements, which Staff feels are appropriately oriented toward those areas in which they can perform a very useful function in the state, areas in which they are making a very useful contribution at the present time. The scope and mission statements are general in character, but they do provide a useful framework for the universities' orientation and, from the point of view of those outside the universities, of what they consider to be their major areas of emphasis.

In the area of new programs, Dr. Groves said, as indicated by Dr. Matsler, Staff has laid out the new program aspirations the universities have identified for over the years, and the first group for 1979-80 will be the ones likely - with some possible screening - to come in as new program proposals this year. The 1980-81 group will be coming in next year and, as usually happens, there will be some further screening between now and then. Thus, the list of New and Expanded Program Requests may be somewhat changed from what is presented here. There is, however, a good deal of consistency in what the universities are laying out as programs for which they anticipate they will be asking approval. The Board has seen many of these before.

Dr. Groves said that what Staff had hoped to achieve with the academic plans is happening. They had hoped to engender within the universities a system which would foster responsible change within a context that bears a close relationship to what the universities' overall priorities are and what is responsible for the university, given its scope and mission, to aspire for. Dr. Groves said he feels

the academic plans are doing that. The list will show that a number of new programs are coming forth, although the list is not exorbitant. But there are new programs that constantly percolate up, there are changes that are taking place, and probably most important of all, there is a constant review process going on which is designed to stimulate thought about new things which the university should be considering.

With regard to program reviews, at this point the universities have evaluated four-fifths of their programs. Program review is also something that has to be kept in balance, Dr. Groves said, and he thinks that we are developing a good balance. It is a balance between a process that is important - we don't want a process without teeth, we want a process that scrutinizes with some depth and with some care what the university programs are doing. But at the same time we want a constructive process, and he thinks that basically the existing process is a constructive one. Throughout the process of program review there have not been very many programs recommended for deletion or suspension or for substantial alteration. In spite of that fact, there has been a great deal of change which has taken place. The most important reason for review is to maintain the quality of university program offerings, and the review process has made a contribution toward maintaining the quality and in maintaining programs that are current, up-to-date, and designed to gain what the universities should most appropriately be interested in.

Dr. Groves then reviewed the Staff recommendations:

1. New Program Proposals

Since the new programs included in the academic plans are in the process of development on campus and no extensive description and rationale is available for Staff or Board evaluation, decisions at this point should be limited to scope and mission and scheduling considerations. As indicated in the Staff narrative, Staff believes that only one program should be re-scheduled, that being the Bachelors degree in Meteorology at NIU. Accordingly, Staff recommends that:

- A. The presentation of a Baccalaureate Major in Meteorology by NIU be postponed from 1979-80 to a later planning year; and
- B. The remaining new programs identified in the three academic plans be accepted by the Board as properly included in the plans, with the understanding that this action does not imply future adoption of these programs as New or Expanded Program Requests or approval in future academic plans.

2. Existing Program Review

The Staff also recommends, Dr. Groves said, that the Board accept the evaluations of existing programs contained in the three academic plans with the following exceptions and provisions:

- A. The Bachelor degree programs in Russian Studies at ISU and in Russian at NIU be suspended for the duration of the next program

review cycle and be reviewed at the end of that period (or before, if conditions merit) for a decision on reinstatement or deletion. (During the period of suspension these programs would not be listed in the university catalogs, advertised, or allowed to accept new students.)

- B. An update of the program review of the Masters degree in Supervision at ISU be presented together with the 1978-79 ISU academic plan.
- C. The Certificate of Advanced Study programs at Northern Illinois University in the fields of Anthropology, Geography, History, Physics, Mathematical Sciences, Physical Education, Elementary Education and School Business Management be reviewed in three years' time on the basis of the criteria and expectations noted in the Staff narrative.
- D. The Certificate of Advanced Study in Chemistry at NIU be deleted as previously requested by the university.
- E. All other Certificate of Advanced Study programs at NIU be evaluated on the basis of the criteria and expectations listed in the Executive Director's Report narrative when and as they are presented for academic plan program review as indicated by the university schedule of such reviews.

6. Use of Plans for Planning Purposes

Lastly, Dr. Groves said, Central Staff recommends that the Board of Regents approve the 1977-78 academic plans of Sangamon State University, Illinois State University, and Northern Illinois University as modified by the above Staff recommendations for use in Regency System and University Planning activities; and further that the Board commend the universities for their efforts in preparing these documents. It should be understood that such approval would not constitute a blanket endorsement of all of the specifics mentioned in the plans.

Commenting further on the recommendation that the Russian Studies program at ISU and the Russian program at NIU be placed on suspension for a five year period, Dr. Groves stated that these two programs have had a recent history of severely declining enrollments. At the present time the program at ISU has only four majors, and the university anticipates that they will have two majors per year for the next five years. The program at Northern has only one major this year, and they anticipate that it will have five majors for each of the projected planning years. This contrasts to a more typical pattern of a major having 50 or 60 majors in most departments and up to as many as 600 or 700 majors in some departments. Staffing levels are very low and the curricular opportunities that are provided are minimal, and Staff feels that the programs have dropped below the level of viability. It then becomes a question of how one should deal

with them. There are three alternatives, he said. One would be to place them on some sort of probationary standing and have them reviewed at the end of a period of years to see how they are doing at that time, with a phase-out if they are not doing well. Another alternative would be to suspend, and the third would be to delete them entirely. The difference between suspension and deletion would be that the programs could be reviewed after a period of time and reinstituted without going through the process of new program approval.

Commenting on the Staff recommendations on the CAS programs at Northern, Dr. Groves stated that these are sixth year graduate programs, and Staff feels that NIU has not given these the attention it should have in the past. A recent study, however, has given new impetus in this regard; and to keep up the movement and the incentive, Staff is saying that in a number of areas they should come in for review in three years' time, that in one area the CAS be phased out, and in other instances that the programs be carefully evaluated on the regular five year basis, but according to some clear-cut criteria.

Mr. Patterson moved for approval of the Staff recommendations relative to the three Academic Plans. The motion was seconded by Mrs. Suggs.

Dr. Matsler said he believed that the two Presidents might wish to speak to recommendation 2.A. He noted that there are some fundamental disagreements as to that particular recommendation.

Mr. Patterson said he wished to direct a question to the Presidents: what does one Russian major cost the university, in terms of having only one. If they had none, what would be the difference?

President Watkins said you could have a number of programs with no majors, but with a number of people taking courses.

Would the fact that you have only 1 to 5 majors indicate that the overall classes might be quite small, Mr. Patterson inquired. In some of these cases that would be true, Dr. Watkins said. Does anyone have that information, Mr. Patterson asked. Dr. Watkins said they do have information that they now have 7 majors in Russian Studies, students who have declared that a major, and another student who is planning to declare that as her major after her freshman year.

Regarding the B.S. in Meteorology, President Monat said they would request that they be given the opportunity to forward this proposal with no commitment so that it can be reviewed by the Board staff. He asked Dr. Groves if this were something he could live with.

Dr. Groves said in the past that the Board has indicated that while recommending that a program be postponed to a subsequent year, if the University wants to submit it for review, it should certainly be free to do so. Dr. Monat said NIU would like to do that.

Dr. Matsler said there would be no need to change the recommendation, as long as there is this understanding.

Dr. Watkins said the Universities are grateful for the Staff effort and for the careful job they have done in going through the academic plans. A great many people on the campuses are involved in the plans and a great deal of work has gone into them. Concern has been expressed by JUAC with regard to the proposed deletion of the Russian Studies program at ISU and the Russian program at NIU, and it should come as no surprise that he seconds this concern. Dr. Watkins said the Russian Studies program at ISU, according to their academic plan, was initiated in the 1976-77 school year. A suspension for 5 years would not allow a program which is just evolving to evolve. It would simply stop the program, because a suspension would not allow the university to list it in the catalog or to accept new students into the program. His point is that it seems to him that a program operative for such a short time, a program which is an amalgamation of Russian Language, Political Science, and History - and Economics is being added - operative for approximately three semesters, is in such an infancy stage that it seems to him a bit premature to strangle it in its cradle. The material which he has received from Dr. Horner which was prepared by the people in the area of Russian Studies and in the Arts and Sciences, indicates that at the present time there are 8 students who have fulfilled or are in the process of fulfilling requirements for the Russian Studies major. There are 4 who have a single major in Russian Studies; 3 who have double majors one of which is Russian Studies; and 1 who is in her first year of Russian and who plans to move into the program next year. It is not known how many others would move into the program, but obviously if the program is suspended under these circumstances no one else will move into it; and he would presume that the individual who plans to move into it next year would not be allowed to do so. Dr. Watkins said they agree with Dr. Groves that all of us want a cooperative and fruitful program of evaluation. Obviously those on the university campuses cannot, even if they had the inclination, be prodigal with money which they do not have. He believes that everyone would agree that, in general, people in the Regency Universities System are very tightly budgeted, and particularly so in areas of instruction, public service and research. They need to be cost effective and they do monitor programs; and they are not unaware of programs that are in difficulty. However, they are also aware that at certain stages in the life of a program, in its relative infancy, it may or may not succeed. They do not know because the jury is still out. Dr. Watkins said he would like to make a suggestion, one which he has discussed with his colleagues. They do not maintain that their program is a smashing success, do not maintain that Staff does not have reason for doubt about the viability of the program, because they also have that doubt. They do not know whether the program in one year, two, or three from now will be in better health - although they hope it will. They would say to Staff that if it is not, they would not hesitate to suggest that it be deleted. The University will suggest that to the Staff and be glad to keep programs that are not cost effective off the books. What they would suggest for consideration by the Board, the President continued, is that there be a three year probationary period for the two programs during which time, rather than suspension, they would have an opportunity to find out whether the programs do have a viable possibility to

succeed, or whether they should be discontinued. During that three year period they would like to have the kind of interchange with Staff that they have always had. Nothing he is saying here is meant to be critical of Staff, or of the processes - perhaps only the conclusion. They would like to have the continuing dialogue to see what is happening. If it appears during that three year period that there would be ample reason to go to the Staff prior to the end of that time and say that they were right, or that it is not panning out, further consideration might be given at that time. They would ask that the Board allow the Russian Studies at ISU and the Russian program at NIU to have a chance. That is all they are asking.

President Monat commented that Dr. Watkins had stated the case well, and he agreed, however, he would make some additional comments. He would agree that if a program review is to have any substance, sometimes it must lead to conclusions that what we are doing perhaps we should not be doing. He does not disagree with this underlying assumption. However, he does feel that in this instance they should have the opportunity in a three year period to demonstrate either the vitality of the programs and, therefore, a claim for continuation, or the desirability of their demise. He believes the university campuses should have the opportunity of initiating the decisions regarding program elimination. He is concerned about suspension, Dr. Monat said, because if a program is suffering from malnutrition now, a suspension would guarantee starvation. Since no new majors can enter the program, how can one demonstrate that it should be continued? What they are asking is an opportunity for the campus to make its own judgments based upon their own consultation, their own assessment of priorities, that the program either merits continuation or it merits discontinuation.

Mr. Brady then moved that Staff recommendation 2.A. be amended to read: "The Bachelor degree programs in Russian Studies at ISU and in Russian at NIU be reviewed at the end of three years, or before if conditions merit, for a decision on deletion." The motion was seconded by Mr. Resnik.

Mr. Patterson suggested that if they are to be put on probation, the motion should so state. They will be reviewed in three years for deletion, Mr. Brady pointed out. Mr. Patterson said he would prefer to have them reviewed in two years, believing that there is no point in fooling around with them.

Mr. Brady said he would ask a question of Dr. Groves, and then the Board might think about the point of whether it should be for two or three years. Why, he asked Dr. Groves, have these come up this fast - normally it is five years.

In the case of the Russian Studies program, Dr. Groves said, this was formerly a program in Russian that had a history of rapid decline. ISU proposed to the Board that because this program was going into a rapid decline, that by transforming it into a Russian Studies program with a broader character they could reverse this process. At that time they said they would willingly submit the program for

review in two years, at which time we would be able to appraise how it had come out. That is the reason it is before the Board now, Dr. Groves said, along with the other foreign language programs - and now we are being told it is too early. In fact, Dr. Groves said, it is questionable whether three years will be sufficient time in which to review a program from the program's perspective. To assess the impact of changes made now, you would probably have to give five years if you stop to think about it. Suppose you hire additional or different faculty, develop a different curriculum, etc., to strengthen the program. When will this have an impact? Well, he said, it will not have an impact in the first year, and in the second year if it has any impact it will be for freshmen entering the program. Those students will be sophomores in the third year, and there will be some impact on the next group of freshmen. But you really will have very little evidence of new majors, and you will have very little indication of what the impact will be on major or upper class courses. Staff considered the idea of a three year trial period, but that does not seem to be very fair. An example of that is what occurred in the case of Illinois State. They thought when instituting the Russian Studies program two years ago, that by this time they would be able to demonstrate that the program was in good shape. Instead, it has declined in enrollment since that time, and the official university projections are for two majors in each of the next five years. It now has 4 majors, and the university is projecting two the year after that, and two the year after that.

Dr. Matsler noted that we have gone through the process of deletion of programs before the Board in the past, and we know that it is always traumatic. He recalled the Justice and Social Order program at Sangamon - there were many, many people who did not want that program abolished. Staff feels that if the Board of Regents really wants a five year review, and it really wants a way to offer the university outside advice from someone who will provide the Board with some advice that is rather disinterested, the recommendation provided to the Board right now is appropriate. When this was discussed in Staff by Dr. Groves, Dr. Floyd and himself, Dr. Matsler said, he was much more interested in simply saying that the program should be abolished. If you take a look at the data - and it shows a decrease in number - and you project for five years, you see nothing but two majors. If this is to be continued, he said, all right, but to him it looks like it is time to make a decision and either suspend or abolish the program. If we were to say take another year, it would be just as traumatic at that time. But if the Board takes action today - which is really something less than abolishing the program - and then if there are students who are interested in it, there are ways to accommodate them. You could use sequences, options or contract majors. Dr. Matsler said he would hope that the Board would follow the Staff recommendation, with all due respect to the Presidents, because he believes that it is an appropriate recommendation.

What is the significance of a suspension, Mr. Murray inquired. If the program were to be cancelled, would we have to go through BHE again for approval, and how many years would that take? Dr. Monat said this is roughly a two year process. Can a suspension then be brought off the table without approval again by the BHE, Mr. Murray asked. Yes, Dr. Monat replied. Does the BHE

recognize those categories, Mr. Brady asked. Yes, Dr. Groves said. Then there would be no problem with BHE two years from now, Mr. Brady inquired. This has been discussed with the BHE staff, Dr. Matsler advised. Does the BHE have a policy on deletion or suspension of programs, Mr. Brady asked. Dr. Matsler said he would hope not, because we have too many policies already.

What happens to the present students and to those who really want this major, Mr. Murray inquired, if the program were to be suspended or deleted.

The present students would be allowed to complete the major, Dr. Groves said. The placement of the program on suspension would allow the university to continue to offer introductory courses as necessary and appropriate. The university would be able to provide an opportunity for specialization in the area through the contract major at ISU and through the bachelor of liberal studies contract major at NIU. So it would be possible to accommodate those students presently majors and those who wish to pursue this area in the future even though the programs are suspended.

Dr. Watkins said he would submit that the process of suspension which would remove the program from the university catalog for five years would not allow the program to accept students for five years. As Dr. Monat pointed out, this would scarcely create a situation propitious to showing the Board at any time in the future that the program should be resumed. They would not be able to make a case for the program. Dr. Watkins said he would be very willing to accept the point brought up by Mr. Patterson - perhaps this was not formally put in as an amendment - that the program be placed on probation and shorten the period to two years. The President said he was not trying to justify hanging onto to something in the curriculum which should go out, but he would like to have a little more time to see what will happen.

Relative to Dr. Watkins' comment about strangling the infant in the cradle, Mr. Patterson said from the looks of the data it appears that the poor infant is starving to death, so it may not be as cruel as it sounds to strangle it. There has to be some definite period of time when the program goes up or down. Now is that time, Dr. Matsler stated.

Mr. Murray noted that there are only two majors projected through the period 1982-83. Do the presidents disagree with those projections?

Dr. Watkins said he does not know how those projections were derived, but they are taken from institutional research data. He said he had a list of names he could read to the Board indicating that 4 students have this program as their main major, 3 students have it as one of their double majors, and 1 student is planning to declare this her major come next year, and she is currently taking first year Russian. He said he could not guarantee that there will be increased numbers of people, all he could say is that this is the state of the art as it now is, which may be substantially different from what was the state of the art at the time of the submission of the document. He said he did think it worth noting that the program has hardly had enough time as a change from a foreign language program to a Russian Studies program to become known on campus.

Mr. Murray said that as he listens to the discussion he is sympathetic to Dr. Watkins' position, but these projections are from Illinois State University; and if the projections are realistic, he would be disinclined to support the program. If the projections are not realistic, is the President saying that the figures are a mistake? Dr. Horner said the projections are done by a statistical computer program, and there may be errors. But, Dr. Watkins pointed out, these projections had to be run in January of 1978 in order to be included. They were based on historical data, Dr. Horner added. But, Mr. Murray said, he does not understand how you can have 8, 6, 4, and then project out 2. Those were statistics of the baccalaureate program in Russian, Dr. Watkins said. The computer cannot make a very good projection of what the change from Russian to Russian Studies might do.

At the secondary level, Mr. Patterson noted, there was a great fad of including Russian, but this has faded out and every high school with which he is familiar is either discussing eliminating the program al already has. It is a declining subject, Dr. Watkins agreed.

Dr. Martin said he has made his position clear to the Board that he is against having an inventory of programs that seems excessive and does not really reflect any need. However, he would like to give these programs a little more running room. Whether or not we have the actual label of the program, it doesn't affect the courses offered, it is a matter of packaging. This Board seems to be very open to various kinds of packaging devices. Given the description by Dr. Watkins and the fact that the projections are untouched by human hands, Dr. Martin said he likes Mr. Brady's amendment and would support it.

Acting President Keiser advised that Sangamon had put several programs on suspension, and it is tantamount to elimination. He thinks Mr. Patterson is right - probation is one thing, and understandable; but elimination is something else. Suspension should be admitted for what it is - and that is elimination. If you can't list it in the catalog, Mr. Patterson said, you just kill it.

Is there any merit to the fact that Russian Studies would have any more of a wider appeal than Russian, Mr. Murray asked. That is why the program was constructed, Dr. Watkins said, and he listed the requirements for the program.

Dr. Monat said he would ask the Board to let the university be responsible for its own destiny. They take very seriously the commitment of resources. If the university really can't put this program together, he said, let the university take the initiative of admitting it, coming to the Board, and saying that they wish to have it eliminated.

On that point, Mr. Shuman said, he would be inclined to go along with not strangling the baby in the crib, if more often the three universities came to the Board and said that they were ready to bury this dead person. He does not like to have the stench of having some of these deceased programs lying around. Despite what Dr. Monat has suggested, the three universities have not been

noteworthy of bringing to the Board examples of discontinued programs - and he would like to see more of it.

Dr. Matsler said he could give in and go ahead and say let them have a three year probation, but this would be wrong because the Board has asked for five year reviews. It is good to debate the issues as we are doing this morning, he said, but it must be remembered that if we are going to review programs and the reviews are to be effective, then we must make the hard decisions when it is time to make them. Perhaps he had made a mistake when he said we should go along with the suspension - perhaps he should have said they should be abolished. However, Staff did end up with a recommendation for suspension. Dr. Matsler said he would be glad to change that to a recommendation to abolish. But it was his feeling that the recommendation for suspension at least provides some flexibility for the near future. He said he does not expect these programs will change very much by way of projections, and he does not think that the universities do either. He believes that we should make the decision now, get it over with, and move on.

Mr. Brady then restated his motion to amend: "Recommendation 2. A. of the Staff recommendations would be amended to read, 'The bachelor degree programs in Russian Studies at ISU and in Russian at NIU be reviewed at the end of three years, or before if conditions merit, for a decision on deletion'."

Mr. Patterson said he would like for the word "probation" to be used in the motion. Would Mr. Brady accept that, he asked. Mr. Brady agreed to accept the addition to his motion.

The motion to amend, then, Mr. Murray stated, is that the Bachelor degree programs in Russian Studies at ISU and in Russian at NIU be placed on probation and reviewed at the end of three years, or before if conditions merit, for a decision on continuation or deletion.

How many dollars are involved in the continuation of the program in the form of an independent study or contract, Mr. Murray asked.

The dollar difference would be nil at NIU, Dr. Monat advised, because they would still have to have one or two people teaching Russian. ISU has one man teaching Russian, Dr. Watkins advised, and there are other courses that are offered that are an amalgamation of things which go into the program.

There is this problem, Mr. Patterson suggested - if we do what we are about to do - they would have three more recruitment years, and if they have any success at all with the programs, they have a moral obligation to those students to let them finish or go as far as they want to go.

Ms. Theobald said there are students outside the program who do take courses within these areas, and this is not reflected in the number of students enrolled in the program. Dr. Watkins noted that there are 8 majors, she said, but there are also others involved with the program in one way or another.

This has been a good discussion, Mr. Murray commented, but he does not think that this should represent some kind of a power struggle between the universities and the Staff of the Board. Yet, obviously, he said, there is a certain amount of that involved - who has the right to initiate and follow through with program review. Mr. Murray said he does not believe that this necessarily sets a precedent, no matter how it turns out.

Mr. Brady concurred with the Chairman's statement. He said he would also apologize to the Staff because he had forgotten that two years ago the Board did say it would review the program in two years. In retrospect, he said, this should be remembered, and if there is in the future a recommendation to have a program approved with the statement that it will be reviewed in a certain number of years, Staff should remind the Board of this fact.

The question before the Board on the motion to amend was called, and the motion carried, with Mr. Shuman casting a dissenting vote.

Mr. Koltun said he believes there is still a question regarding the timing and the effect on faculty morale, and the relationship between Board Staff and faculty, as the result of the process involved. He deferred to Professor Ralph Smith to comment on this.

Dr. Smith said the matter of the way in which this came up is of concern to members of the Joint University Advisory Committee. As faculty on campus, they do have the activity of going through the academic programs, and they do have input. There should be more faculty input when we talk about deleting a program, he said, and the opportunity for this input should be available before the Board considers the question. In fact, Dr. Smith said, going through the Bylaws, it is stated that ordinarily the presidents and the Joint University Advisory Committee will be given an opportunity to consult with colleagues on the campus before giving their advice to the Board. In this case JUAC had no such opportunity - they read this on Monday, that the recommendation was coming in for suspension for reasons quite unfamiliar to most of them. They needed to have time to consult as members of JUAC with their colleagues on the campuses. They are not arguing about the fact that Staff cannot come in with a recommendation, but they would hope that in the future in their responses to the academic plans, JUAC would know in advance what some of those responses are to be so that they can get additional responses from the faculty.

The Chairman asked if there was further discussion on the motion to approve the Staff recommendations relative to the academic plans, as amended.

Dr. Martin said he understands that the Board of Higher Education turned down our request for a bachelor of science degree in Safety at Illinois State. He sees here a plan for a master of science degree which is not preceded by an appearance of a request for a bachelor of science degree. Of course, he said, he gets confused about this, but he thought that normally a bachelor's degree is offered in an area before a graduate degree is offered. He would also hope that this special attention be given to the odd, intermediate level certificates that are proposed. Dr. Martin said he finds it difficult to understand the purpose of something that falls in between conventional degree struc-

tures unless it is thought somehow that school boards are going to be bamboozled by these degrees. Mr. Brady asked if Dr. Martin was suggesting that thirty hours and a thesis is bamboozling a school board. There is a structure of degrees which is known across the country, Dr. Martin said, and when we start injecting odd new degrees, or demi-degrees, or whatever they are, he becomes suspicious of these certificates. For instance, he said, what is the difference between General Home Economics and other kinds of Home Economics; what is the difference between Biological Science and Biology? However, Dr. Martin said, he would not take any more time on this today, but he would be interested in seeing the outcome of these, and he would hope that there would be close scrutiny of these intermediate degrees. Dr. Groves said Staff shares some of these same concerns and has asked some of the same questions.

Dr. Keiser noted that Sangamon State's academic plan is much better because of the interaction they have had with Dr. Groves and other members of the Central Staff, and they appreciate that. They feel, he said, that the plan itself was initiated by Dr. Groves and that the University is better off for having it.

Ms. Theobald, referring to Dr. Martin's comment about the major in Safety, said she was not yet a member of the Board when he commented about it last spring. She has since talked with a gentleman, she said, who works for an insurance company, in charge of hiring, who stated that he was pleased to see the major in Safety put out by ISU. He also commented that they can't get enough of them. She said she discussed whether he read the transcripts of students, and his comment was that he didn't care to spend his time reading a transcript, he just wants to see that major in Safety.

The question before the Board was called for a vote, and the motion carried unanimously.

Section IX - Off-Campus Program

Dr. Matsler advised that the Board had received a description of the proposal for Northern Illinois University to establish its Bachelor of General Studies degree in the College of DuPage area. Staff has summarized the proposal, and after an evaluation recommends that the Board approve the request, the program to be implemented in that off-campus area when approval has been received from both the Board of Regents and the Board of Higher Education.

Mr. Patterson moved for approval of the Staff recommendation. The motion was seconded by Dr. Martin and it carried unanimously.

Section X - Change of Administrative Structure

Dr. Matsler advised that Staff has analyzed the request by Illinois State University to change the organization of its College of Education by restructuring the three academic departments within the College, and recommends that the Board approve the proposed reorganization and thereby authorize (1) the establishment

of new Departments of Specialized Educational Development and of Educational Administration and Foundations; (2) the deletion of the Departments of Special Education and of Educational Administration; (3) the establishment of the Office of Research, Development and Field Services; and (4) the change of name of the Office of Clinical Experiences in Education to Office of Clinical Experiences and Certification Processes. The reorganization will be implemented after approval has been received from this Board and the Board of Higher Education.

Dr. Martin moved for approval of the Staff recommendation. The motion was seconded by Mr. Patterson, and it carried unanimously.

Section XI - Police Professional Liability Insurance

Dr. Matsler distributed copies of an Addendum to this Section of his Report. Staff recommends, he said, that the Board approve the bid from North East Insurance Company, through H. R. Bresee & Co., for police professional liability coverage for the period March 15, 1978 through March 15, 1979 with limits of \$100,000/\$300,000 for bodily injury, \$500,000 policy aggregate, and \$50,000 property damage. The policy will include a \$250 deductible clause for each loss and will provide ten days cancellation notice. Annual premium cost quoted is \$11,441.02 for all three Regency Universities.

Mr. Patterson moved for approval of the Staff recommendation. The motion was seconded by Mrs. Burns.

Is this insurance based upon the claims that arise during that period of time, Mr. Murray asked, or claims made against the universities during that period of time. Is this going to cover suits filed during this period, he asked, or will it cover suits that arise during this period even though they are filed several years down the line?

Mr. Keating said it is his understanding that it will cover both.

The question before the Board was called, and the motion carried unanimously.

Mr. Shuman commented that he had read a newspaper report a few days ago on the subject of student loan defaults. HEW ran a check on their own employees who were in default on student loans and found considerable who were employed in the very agency that is administering the student loan programs. This is an outrage, Mr. Shuman said, and he understands that HEW is taking steps to correct the situation. This causes him to wonder, he said, if our three universities might be employing faculty or staff who might be in default on student loans. If so, he said, this should be corrected. He would propose, he said, that the Board request each university to run on the computer a check of the student loan defaulters - he understands that they have this information available - to see if we do have faculty or staff who are in default and proceed to collect them. If the universities cannot collect, Mr. Shuman said, he thinks that the Board

adopt a policy to eliminate those persons from employment lists. It is unfair to the program, he said, that certain persons be allowed to default and deprive future students an opportunity to participate in the program.

Mr. Murray said he thinks this is an excellent suggestion, but he would like for Mr. Shuman to broaden his motion that we circulate the list of defaulters among the entire state of Illinois, to see if these persons are on the payroll of the State in any capacity - other state universities or other state agencies.

It is not fair to the present generation, Mr. Shuman said, for former students who have good jobs to be withholding repayment of these loans.

Did Mr. Shuman intend this proposal as a formal motion, Mr. Murray inquired. Yes, Mr. Shuman stated. The motion was seconded by Mr. Patterson, and it carried unanimously.

Ms. Welander said she had heard the preceding day that a committee on reorganization of state government had considered a report called the "Bonniwell Report", and she would like some more information on a few of the points that were brought up in this document, particularly as to the possible ramifications of some of the recommendations that the governing boards be abolished and replaced by individual governing boards. She understands that Mr. Furman, Executive Director of the BHE, asserted that he would be against such a proposal, although the legislature is still seeking more advice on the question. Another matter which came up, she said, was that if the State decides not to go along with the primary proposal in the report to dissolve the system of systems, it should highly consider removing the system heads from the Board of Higher Education. It was stated that of the 16 members of the BHE 5 are system heads, and the question was whether system heads should be able to make a proposal and then be able to "change hats" and vote on the proposal. Mr. Furman said there was a stronger sentiment to remove the system heads from the BHE than to abolish the system of systems.

Mr. Murray said he is not familiar at all with the "Bonniwell Report".

Dr. Matsler explained that this was a report made for both Governor Thompson and Mr. Howlett prior to the last election, and it consists of a number of recommendations concerning all matters of state government, including the system of systems in higher education. Dr. Monat could probably speak to this, Dr. Matsler suggested, since he was involved with the commission. Dr. Monat said he was not a member of the commission, but was appointed by the Governor as one of three permanent panelists who conducted public hearings on the report around the State last May and June. Out of the nine hearings which were conducted, Dr. Monat said, he did not recall any stated support for the recommendations in the report that address higher education.

Mr. Beahringer advised that he had attended the meeting Ms. Welander referred to and perhaps could clarify some of the remarks made by Mr. Furman. He indicated, Mr. Beahringer said, that the Board of Higher Education would support the present system of systems, indicating the strong points of the present system as opposed to other extremes. He also indicated that the BHE supports the chairmen of the systems being on that Board, however, he did say that the vote was close.

Perhaps we will eventually get copies of the report, Mr. Murray stated, and he asked Dr. Matsler to keep the Board advised on the situation.

Mr. Murray said it had been brought to his attention last evening that there are problems with the implementation of student evaluations here at Northern. He said he does not know what the situation is and does not intend to become involved in it at this time, other than to state that he thinks this Board has consistently supported the concept of meaningful student evaluations of faculty. The Board has never specified the use those evaluations would be put to, but he would like to ask the NIU administration to be cognizant of the fact that there is considerable student dissatisfaction with the implementation of the evaluations, and ask that Dr. Monat look into the matter.

Dr. Monat said last fall he established an ad hoc committee advisory to the Provost - he was then serving in that capacity - to develop guidelines to govern student evaluations. On March 6 that committee made its recommendations to him with some proposed guidelines. In the meantime the Faculty Assembly of the University Council requested that, according to the University Constitution, the guidelines be reviewed by the University Council Personnel Committee. That is entirely appropriate, Dr. Monat said, within the governance structure of the university. The guidelines have been referred to the UCPC with a request that as soon as possible they review them and provide their own recommendations. This is moving ahead as quickly as possible, Dr. Monat advised.

Mr. Winning said he wished to take note of the fact that there was no Legal Counsel Report in the EDR this month, but he wished to report to the Board that we are in extremely good shape as far as adverse litigation is concerned. One reason for this he would comment on particularly, he said. We just received a decision from the Appellate Court of the Second District on a case involving an FEPC matter at Northern which was handled by University Legal Counsel. It was an extremely well handled matter in the Court and he wanted the Board to know that it does have an outstanding university counsel on the NIU campus, and this case is a good manifestation of that fact. Mr. Winning said he did not wish this to go unnoticed. His job is made much easier by this kind of activity at the university level, Mr. Winning said.

Mr. Shuman moved that the Board compliment the Legal Counsel at Northern, Mr. John Templin, for successfully representing us in this particular instance. The motion was seconded by Mr. Patterson.

Mr. Murray asked Mr. Winning to refresh his memory on the case in question.

The case was entitled Edna Barbour vs. Northern, Mr. Winning reported, and originally it was a complaint before the FEPC charging discrimination by nature of the fact that she was a woman. She was objecting primarily to her salary increments. When she got before the Commission, they enlarged the scope of the alleged discriminatory practices, and the Commission found that the University was guilty of discrimination and imposed a lot of orders on the university to correct this, including giving her a paid six month sabbatical. The finding

and order of the Commission was sustained by the Circuit Court, and Mr. Templin, thinking he had a case, took it to the Appellate Court. That Court in a very clear decision overruled the Circuit Court and the Commission upon all elements of the order. This would not have happened had it not been handled very effectively by the Legal Counsel for the university.

The question before the Board was called, and the motion carried unanimously.

Mr. Shuman said Dr. Matsler had indicated last month that the matter of tuition would be before the Board at this time. What is his thinking on this, he asked.

Dr. Matsler said he had indicated that he would bring the matter to the Board at a later date, but did not specify this month because he really was not sure he could make a recommendation to the Board. He heard yesterday or the day before, he said, that the University of Illinois decided not to raise its tuition because of the same reason he spoke to last month. Dr. Matsler said he does expect to bring the Board a recommendation at the April meeting as to whether or not we should raise tuition. His feeling at the moment is that we should not raise it this coming fall, but that we should announce that there very likely will be a tuition increase the following year. His reasoning is primarily that the Governor himself has recommended no tuition increase, and of course, he can cut back the appropriation bill if we should decide to raise tuition and include it in our bill. Also we do not have any encouragement from the legislature that they would, indeed, appropriate out a tuition hike. He thinks probably what we should do is consider the whole matter later in the fall for the fall of 1979. Dr. Matsler said he does intend to bring this to the Board at the April meeting.

Mr. Shuman said the only time this Board or any other board can adjust tuition is in the alternate years when it is not an election year. He thinks it is absolutely wrong, it is unfair to the students, unfair to the university when we are trying to build better universities, when we have this situation. Mr. Shuman said he wished to call to the attention of other members of the Board a statement made by the Governor in which, in addition to saying what Dr. Matsler just quoted about not favoring an increase in tuition, he also said that this matter of the legislature reappropriating the tuition receipts to the schools should be changed, that the governing boards ought to have the authority to set tuition levels. Mr. Shuman said he thinks if we are interested in building institutions of academic excellence and in the improvement of them as educational institutions, we should get behind the move to take away from the legislature the authority to regulate tuition by requiring it to be reappropriated. What would happen, he said, if we increase tuition this year, and the legislature met and other institutions did not increase tuition, they would apply an appropriations formula of general revenue funds to us which would result in our being penalized. In other words, we would be picking up more of the cost of operations out of tuition. That is absolutely unfair, Mr. Shuman said, and it results in these universities being almost a perpetuation of mediocrity, not on the road to excellence. We are developing an institution here where the financing is going to be mediocre, and even less than mediocre if we keep on. He does not agree with this idea that we should do

everything on the basis of averages. We have reports in here, almost every months, that salaries are thus and so as compared with national averages. Everything is compared to the average. That will kill you, he said. We should be working for superior institutions and have an ability to pay higher salaries to superior performers. We can't do it with this system.

Mr. Murray said he believes the Board of Higher Education at its last meeting expressed exactly the same sentiments as Mr. Shuman about the fact that university systems should be free to set their own tuition, free from the restraints of the legislature. Mr. Murray said if Mr. Shuman would care to propose a motion that the Board adopt that as a policy, it would be in order.

Mr. Shuman so moved. The motion was seconded by Dr. Martin. Mr. Shuman added to his motion a proposal that this sentiment be conveyed to the Board of Higher Education and the State legislature, that we believe that the institutions should be permitted to set their own tuition fees and have some control over their budgets.

Mr. Murray said that in a meeting the system heads had with the Governor about a month and a half ago, the Governor said exactly the same thing which Mr. Shuman quoted. The discussion was how we go about changing the legislation to accomplish this. The Governor shares our sentiments, Mr. Murray said.

The question before the Board was called, and the motion carried unanimously.

RECURRING INSTITUTIONAL MATTERS

Northern Illinois University - President's Report

Before presenting his Report to the Board, Dr. Monat called attention to item 3.b. on page 33 of the Purchases Section, and advised that the low bidder, Rockford Truck Sales, had withdrawn their bid. The second low bidder, Brad Manning Ford, has indicated that they will stand by their bid, and the university is changing its recommendation to indicate that the award should be made to them.

Dr. Monat said a brief report would be made on the results of the Dunes Group study of the University Health Center, and he called upon Vice President Harry Canon to make the report.

Dr. Canon noted that on November 18 the report had been mailed to the Board, and a summary of the recommendations from the consultative evaluation had been mailed to the Board earlier in the week. To refresh their memories, he said, he would state that the university had asked that they be able to undertake a contract with a consulting firm so that they could respond appropriately to a criticism made by the Legislative Audit Commission, particularly as to whether or not the university should maintain a 21 bed infirmary. The university asked at the same time that it be an evaluative audit so that they could look at the quality and range of services provided. The Dunes Group did this, and there

was an affirmation of the programs and services and the fiscal efficiency of the operation - which was comforting to the university - but at the same time they made some extensive recommendations in terms of internal management which have already been helpful. Dr. Canon said he believes their report will indicate that the university has responded to the recommendations in the most part. Specifically, Dr. Canon said, they went to the Dunes Group after receiving the advice of an independent department which trains health services managers at the University of Chicago. The university is pleased with the help the Dunes Group provided, and they believe that the response to the Legislative Audit Commission is defended.

Dr. Canon said in response to a question posed earlier by Mrs. Suggs, he would state that he has been a part of conferences with the HSA coordinators - at the invitation of Kishwaukee Community Hospital. They seem to feel comfortable with the manner in which the university attempts to provide only those services which are necessary and make maximum use of services in the private sector so that the quality of health care in the community and surrounding area is not damaged by overimpacting. People from the community and the staff have worked together to produce an effective health care delivery system.

Mr. Resnik asked if when Dr. Canon says "they are comfortable" that means that we have some semblance of their support.

Dr. Canon said they have not specifically asked the question of that group. Rather this would be his assessment of the tone of the discussions. As most everyone is aware, he said, there is considerable concern about over-bedding in the State. They do have a problem of that sort in the area between Kishwaukee Community Hospital and the hospital in Sycamore. There is a community battle going on there, in which the university plays no part, and it has no effect on the infirmity beds simply because theirs cost \$70 a day, and the other two are approximately \$160.

Mr. Resnik said if we could get their support it would be a good idea because of what the Auditor General has stated. Dr. Canon said he would be pleased to write to the coordinator and ask him to be specific about this.

Mr. Murray said he does not know about the rest of the members of the Board, but he feels a little uncomfortable with the knowledge - or lack of knowledge - that he has on this general report. He would ask that the Staff of the Board meet with Dr. Canon and others at Northern who are involved with this and give the Board a more detailed report about all of the recommendations in the Dunes Report and the implementation of those recommendations. Mr. Murray said if he did receive a copy of the report he cannot find it. Additionally, he said, he would appreciate some student input. Perhaps this could be on the agenda for the next Board meeting, if this would allow enough time. In the meantime, he would like to have another copy of the Dunes Report. Dr. Monat said he would see that the Chairman receives a copy to review in conjunction with the Staff report. He added that he knows that we will get questions at the Legislative Audit Commission meeting.

Dr. Monat presented information reports on:

Status of Undergraduate Admissions for Fall 1978
 Status of Undergraduate Admissions for Summer 1978
 Degrees Granted - December 1977
 Enrollment by Headcount - Spring Semester 1978
 Grants and Contracts (Research, Institutes, and Studies)
 Gifts to Northern Illinois University Foundation
 Gifts to Northern Illinois University
 Proration of Health Service Fee for Intersession and Summer Session

The following items were presented for Board action:

1. Personnel transactions for faculty and other employees, including a report of faculty receiving more than 100% of salary for the first semester. A list of all reported transactions is appended to the President's Report and will be kept on file at the university and in the Central Office.
2. Permission was requested to make a partial refund of tuition and fees to Marc A. Brailov in the amount of \$49.50.
3. A list of purchases for the month, as appended to the President's Report.
4. Capital Improvement Projects

a. Contract Approval (Single Bid)

- (1) Renovation of Loggia at University Apartments, Wings "B" and "C"

Approval was requested for award of contract in the amount of \$26,985.00 to J. S. Peterson Company, Inc., Elmhurst; and that the project budget be established as follows:

Construction	\$26,985.00
Contingencies	<u>1,515.00</u>
	\$28,500.00

- (2) Grant South - Installation of Thermopane Glass in Windows between "A" and "B" Towers and Central Core

Grant North - Installation of Thermopane Glass in Windows between "C" and "D" Towers and Central Core

Stevenson North - Installation of Thermopane Glass in Windows between "C" and "D" Towers and Central Core

Approval was requested for award of contract to Cardinal Glass Company, DeKalb, in the amount of \$7,568.00 for each of the above projects; and that the budget for each be established as follows:

Construction	\$7,568.00
Contingencies	<u>432.00</u>
	\$8,000.00

Referring to pages 11 and 12 of the Purchases Section of the NIU Report, Mr. Shuman noted the two single bid items submitted for approval. This is a subject that comes up every once in a while, he said, and it would seem to him if we reject single bids and go out and do a little missionary work we could obtain more than one bid on these things. Mr. Shuman said he does not like to see a \$28,000 contract awarded on the basis of a single bid, particularly this kind of work. He realizes that contractors do not like to bid on these kinds of things and would rather bid on the basis of time and materials, but there should be something we can do to get more than one bid.

Dr. Monat said he is sure that people at the university who are responsible for this do beat the bushes to get people to bid, and in this instance he does not know why there was only one bid received. However, he noted, this is a very small project.

Mr. Shuman said he understands that, but he wished to call this to everyone's attention.

Vice President Smith said he agrees with Mr. Shuman's comments, and he has instructed architects and the Physical Plant Department to make calls five or six days prior to bid openings to those contractors who have picked up specifications to determine if they are interested in submitting bids. Some say that they have no time, that they will try to put a bid together, etc. The university would much rather have ten bids than one, Dr. Smith said.

Mr. Shuman said he wished it were possible under the State rules to put these things out on a time and materials basis.

Referring to item 3.b. on page 33 of the Purchases Section, Mr. Winning said he would hope that allowing Rockford Truck Sales to withdraw their bid was done on a basis that would not be setting a precedent. It seems to him, he said, that this situation could be extremely dangerous to permit someone to withdraw after the bids are opened. Mr. Patterson pointed out that the difference between the two bids was a very small amount.

Mr. Resnik moved for approval of the President's Report for Northern Illinois University, as amended. The motion was seconded by Ms. Burns, and it carried unanimously.

Illinois State University - President's Report

Before presenting his Report, President Watkins noted that the very small capital budget which has been suggested has deleted several very important renovation projects at the Regency institutions, i. e., the Wirtz Hall project at Northern and the completion of the Milner Library project at ISU will not fall within the purview of the suggested \$22.8 million. This is very unfortunate, Dr. Watkins said, and he would hope that something might be done about it.

The President furnished updated figures on the number of applications for admission received as of March 14, 1978 for Fall Term, 1978.

President Watkins, noting the Change in Assignment on page 13, reported that Dr. Weisbecker requested that he be permitted to return to the position of Professor of Health, Physical Education, Recreation and Dance, effective August 16, 1978, because he would like to have summers free rather than be on a 12 month appointment. Dr. Weisbecker has done a fine job in getting the alumni and development programs underway, he said, as most everyone is aware. A search for a replacement has been initiated, he added.

What salary change is involved in this, Mr. Murray inquired. The President stated that Dr. Weisbecker's monthly salary will remain the same, but his appointment will be for 9 rather than 12 months.

Information reports were submitted on:

- Admissions for Fall Term 1978
- Enrollments for Spring Semester 1978
- Capital Improvement Projects
- Grants and Contracts (Research, Institutes, and Studies)

The following items were presented for Board action:

1. Personnel transactions for faculty and administrative staff and for civil service employees, including a list of those faculty receiving more than 100% salary for the first semester 1977-78. A list of all reported transactions is appended to the President's Report and will be kept on file at the university and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report, was submitted for approval.

Mr. Patterson moved for approval of the President's Report for Illinois State University. The motion was seconded by Ms. Theobald.

Mr. Murray congratulated ISU for their basketball success and for being selected for the NIT. This is an honor that should not be overlooked, he said. He also extended congratulations to Coach Gene Smithson for a successful season. President Watkins said they are all very proud of the team and its 24-4 record. Even on the night they lost, he said, everyone would have been very proud of the ISU contingent and the way in which they comported themselves. They could still hold their heads up very high.

Mr. Murray said that the Board is aware through student newspapers and conversations with those in attendance of what he could consider unbecoming conduct on the part of some of the students, particularly at the DePaul game. He said he did not intend to chastise anyone, but he would hope that the fans of Illinois State have enough pride in their team that they do not embarrass the university and create an atmosphere under which other teams would not want to play ISU. Mr. Murray said he believes that steps are being taken to correct the situation and he salutes the students and others involved at the university.

President Watkins said he appreciates the Chairman's comments and agrees with them completely. ISU is trying to build the best basketball program in the country and does not want anything to hamper it. He would point out, he said, that there was very fine leadership on the part of the student body officers and by the Vidette, which indicates that they do have responsible people in positions of responsibility.

Mr. Murray suggested to the President that they devise some group on campus to consider selling pieces of the old Astroturf as a fundraising project. Dr. Watkins said this has been discussed on campus, and the Chairman's comment would be given careful consideration.

The question before the Board was called for a vote, and the motion carried unanimously.

Sangamon State University - President's Report

The Chairman said that before turning to the Sangamon State University Report, he would announce that Dr. John Keiser had recently been selected to serve as the next President of Boise State University in Idaho, effective August 15, 1978. Mr. Murray congratulated Dr. Keiser on his selection, and Dr. Keiser thanked the Board for their good wishes.

Before presenting his Report, Dr. Keiser distributed copies of an Addendum to the section on Capital Improvements Projects. He also called attention to an addendum to this same section which had been mailed prior to the meeting.

Information reports were presented on:

- Active Applications for Semester I, 1978-79
- Enrollment Report for Semester II, 1977-78
- Grants and Contracts
- Report of Faculty Receiving More than 100% Salary for Fall Semester

The following items were then submitted for Board action:

1. A Resolution pertaining to the addition of the Sangamon Bank and Trust Company as a depository for time deposit accounts in the name of the University:

RESOLVED that The First National Bank of Springfield, Springfield Marine Bank, and The Illinois National Bank of Springfield, all of Springfield, Illinois, are hereby designated depositories in bank clearing accounts in the name of Sangamon State University of funds received from tuition, fees, auxiliary enterprises, and other sources payable to or intended for Sangamon State University and that the funds so deposited therein may be withdrawn upon check, draft, note, or order of Sangamon State University.

BE IT FURTHER RESOLVED that the Town and Country Bank, The Sangamon Bank and Trust, and the American Savings and Loan Association, all of Springfield, Illinois, are hereby designated depositories for time deposit accounts in the name of Sangamon State University of funds received from tuition, fees, auxiliary enterprises, and other sources payable to or intended for Sangamon State University and that the funds so deposited therein may be withdrawn upon check, draft, note, or order of Sangamon State University.

BE IT FURTHER RESOLVED that Sangamon State University is hereby authorized to enter into an agreement with American National Bank and Trust Company of Chicago for services of said Bank as a depository for the active collection from students or former students of Sangamon State University, of loans or installments of loans when due at compensation not exceeding and in the manner similar to current agreements with other educational institutions and that the funds so deposited therein may be withdrawn upon check, draft, note, or order of Sangamon State University.

BE IT FURTHER RESOLVED that all checks, drafts, notes, or orders drawn against any of said accounts be signed by the Vice President for Business and Administrative Services or the Assistant Vice President for Administrative Services and the Comptroller or the Supervisor of Accounting of Sangamon State University, and that the signatures of the above be certified by the President of Sangamon State University, and that no check, draft, note, or order drawn on any of the above accounts be valid unless signed as authorized by this paragraph.

BE IT FURTHER RESOLVED that said financial institutions are hereby authorized and directed to honor and pay any checks, drafts, notes, or orders so drawn, whether such checks, drafts, notes, or orders be payable to the order of any such person signing and/or countersigning said checks, drafts, notes, or orders, or any of such persons in their individual capacities or not, and whether such checks, drafts, notes, or orders are deposited to the individual credit of the person so signing and/or countersigning said checks, drafts, notes, or orders, or to the individual credit of any other officer or employee of Sangamon State University. This resolution shall continue in force and each of said financial institutions may consider the facts concerning the holders of said offices, respectively, and their signatures to be and continue as set forth in the certificate of the Secretary of the Board of Regents, accompanying a copy of this resolution when delivered to any of said financial institutions or in any similar subsequent certificate until written notice to the contrary is duly served on the financial institution in which the funds are deposited and withdrawn.

2. Personnel transactions for faculty and other employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.

3. Capital Improvement Projects

(a) Contract Approval - Single Bid

Building "F" Remodeling Project - Electrical Work

Approval was requested for issuance of a contract to B & B Electric, Inc., Springfield, Illinois in the amount of \$17,702.00.

(b) Contract Approval - Multiple Bids

Building "F" Remodeling Project - Heating & Ventilating

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Schmidt Brothers, Inc., Springfield, Illinois in the amount of \$9,533.00.

(c) Contract Approval - Professional and Artistic Contract

On-Campus Student Housing Project

Permission was requested to execute a contract with Graham, O'Shea and Wisnosky, Architects and Planners, Inc., Springfield, Illinois, for architectural and engineering services required for the proposed 80-unit student housing project at a fee of 5.9% of the construction cost in accordance with Group I of the Board of Regents fee schedule.

4. Approval was requested of three amendments to the Sangamon State University Constitution. (Amendments were received for first reading by the Board at the February 16, 1978 meeting.)

Commenting on the recommendation in his Report relative to the selection of an architect for the Student Housing Project, Dr. Keiser said this was accomplished through a committee process at the University who selected the firm from Springfield who are experienced in dealing with HUD. The firm has a fine reputation in Springfield and Central Illinois. He stated that until money is available from private sources no contracts will be executed and no construction will be started until the project receives legislative approval.

The proposed amendments to the University Constitution have to do with the Staff Senate, Dr. Keiser reported. The first extends Senators' terms from 1 to 2 years; the second makes permanent part-time civil service employees eligible for membership on the Senate; and the third increases the number of representatives on the Staff Senate. Dr. Keiser said he thinks all of the amendments are appropriate and that he supports them.

Ms. Welander moved for approval of the Report of the President of Sangamon State University, as amended. The motion was seconded by Mr. Resnik, and it carried unanimously.

The Chairman asked if there were any other matters to be brought before the Board.

Mr. Terry Jordan, President of the Student Association at NIU, stated that he believes that they had a commitment from the start that student evaluation guidelines would be enacted this Spring. He realizes the Board's reluctance to get into internal matters, he said, but believes that the University Council is cognizant of the Board's stance on this matter, and he is glad that the Board is aware of the feelings of the students in this.

Mr. Murray said he knows that Mr. Jordan heard President Monat's comments on this matter earlier in the meeting, and he should not hesitate to bring it to the Board's attention if he feels that there is significant foot-dragging on the question.

Mr. Patterson moved for adjournment of the meeting. The motion was seconded by Ms. Burns, and it carried unanimously.

The next regularly scheduled meeting of the Board of Regents will be held on April 20, 1978 in Springfield, Illinois.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Lorado Taft Campus - Northern Illinois University
Oregon, Illinois

May 5, 1978

The meeting of the Board of Regents convened at 9:30 a.m. on Friday, May 5, 1978 at the Lorado Taft Campus of Northern Illinois University, Oregon, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order by the Chairman, roll was called, and the following Regents were present:

Ms. Carol K. Burns	Mr. Charles B. Shuman
Dr. Dan M. Martin	Mrs. Eleanor R. Suggs
Mr. D. Brewster Parker	Ms. Kimberly A. Theobald
Mr. James M. Patterson	Ms. Jill Welander
Mr. Richard Resnik	Dr. Harry L. Wellbank
Mr. David E. Murray, Chairman	

Mr. Michael J. Brady was not present for the meeting.

Also in attendance were:

Dr. Lloyd I. Watkins, President, Illinois State University
Dr. William R. Monat, Acting President, Northern Illinois University
Dr. John H. Keiser, Acting President, Sangamon State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents
Mr. James M. Winning, Legal Counsel

Mr. Murray administered the oath of office to Mr. D. Brewster Parker of Lincoln, Illinois, whose appointment to the Board was confirmed by the Senate on May 4, and welcomed him to the Board of Regents.

The minutes of the meeting held on March 16, 1978 had been distributed prior to the meeting, and the Chairman asked if there were any comments, additions or corrections to be offered. There being none, the minutes were approved as distributed.

RECURRING INSTITUTIONAL MATTERS

Northern Illinois University - President's Report

Acting President Monat presented the following items for action by the Board:

CAPITAL IMPROVEMENT PROJECTS

Contract Approval - Non-Appropriated Funds - Single BidReplacement of Windows in Neptune East/West/Central and Gilbert Hall

A tabulation of bids received for the project was presented with the recommendation that a contract be awarded to the only bidder, Cardinal Glass, Rockford, IL, in the amount of \$474,537.00; and that the project budget be established as follows:

Construction	\$474,537.00
Contingencies	23,463.00
Total	<u>\$498,000.00</u>

Payable from Revenue Bond Funds.

Contract Approval - Non-Appropriated Funds - Multiple Bid

1. Closed Circuit TV and FM Distribution System for Residence Halls and Holmes Student Center

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Mascall Electric, DeKalb, IL, in the amount of \$291,257.10 (base bid plus certain alternates); and that the budget for the project be established as follows:

Construction	\$291,257.10
Contingencies	23,332.90
Engineering Fees	8,210.00
Total	<u>\$322,800.00</u>

Payable from Revenue Bond Funds.

2. Douglas Hall Remodeling - Phase I

A tabulation of bids received for Phase I of this project was presented with a recommendation that the low bids be accepted and contracts awarded as follows:

For General Work: Security Bldg. Co., Inc., Rockford, IL, \$166,800
 For Electrical Work: Mascall Electric, Inc., DeKalb, IL, \$22,700.00
 For Plumbing Work: Dougherty & Shaw, Inc., Rockford, IL, \$12,200
 For Heating Work: Voris, Inc., Chicago, IL, \$16,610
 For Ventilating Work: E. B. Inc., DeKalb, IL, \$28,955.00;

and that the project budget be established as follows:

Construction	\$247,265.00
Architectural Fees	21,018.00
Contingencies	24,717.00
Total	<u>\$293,000.00</u>

Payable from Revenue Bond Funds.

3. Pre-Alarm Fire Alarm System for Grant Towers

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Morse Electric, Inc., Freeport, IL, in the amount of \$48,700; and that the budget for the project be established as follows:

Construction	\$48,700.00
Engineering Fee	4,383.00
Contingencies	4,917.00
Total	\$58,000.00

Payable from Revenue Bond Funds.

4. Parking Facility - East Campus

A tabulation of bids received for the demolition of five structures on the project site was presented with a recommendation that the low bid be accepted and a contract awarded to E & E Hauling Company, Bloomingdale, IL, in the amount of \$11,400.00.

A tabulation of bids received for construction of the surface parking lot was presented with a recommendation that the low base bids be accepted and contracts awarded as follows:

For General Work: Stahl Construction, DeKalb, IL, \$434,000
 For Electrical Work: Jay Ward Electric, DeKalb, IL, \$60,270
 For Plumbing Work: Lundin Plumbing & Heating, Sycamore, IL, \$9,693

The low bidder on the plumbing work (Lundin Plumbing & Heating) had advised the University that an error was made in their bid. In the event the firm fails to complete the contract documents, the University recommends that the award of this contract be made to the second low bidder, Cliff Seldal Plumbing & Heating, DeKalb, IL, in the amount of \$13,444.

The University also proposed to accept certain alternates in addition to the base contracts, in accordance with the engineer's recommendation. Project budget is established as follows:

Construction (Base Bids and Alts.)	\$531,556.00
House Demolition	11,400.00
Engineering Fees	32,390.00
Contingencies	26,654.00
Total	\$602,000.00

Payable from Parking Income Funds.

5. Lincoln Hall - Redesign of Food Serving Area

A tabulation of bids received for a portion of the work was presented with a recommendation that the low bids be accepted and contracts awarded as follows:

For General Work: Jim Ward Construction Company, DeKalb, IL, \$22,195
 For Electrical Work: Jay Ward Electric, DeKalb, IL, \$5,630
 For Plumbing Work: Lundin Plumbing & Heating, Sycamore, IL, \$2,725
 For Equipment: Southern Equipment - Division of McGraw-Edison
 Company, St. Louis, MO, \$27,686;

and that the project budget be established as follows:

Construction	\$30,550.00
Equipment	27,686.00
Consultant Fees	9,150.00
Contingencies	<u>3,614.00</u>
Total	\$71,000.00

Payable from Revenue Bond Funds.

NON-RECURRING ITEMS

Sewer Line Easement for the Williams Brothers

The following Resolution was presented which grants an easement to Ivan and Glendon Williams for a sewer line to hook on to the University's sewer system, with a recommendation that it be adopted:

RESOLUTION

WHEREAS, Ivan Williams and D. Glendon Williams have requested a permanent easement over, upon, along and through certain real property owned by the Board of Regents on the Northern Illinois University campus to hook on to the University's sewer system, said permanent easement being described as follows:

A strip of land 20 feet wide, being 10 feet wide on each side of the following described center line, situated on part of the Northeast Quarter of Section 21, Township 40 North, Range 4 East of the Third Principal Meridian, DeKalb County, Illinois: Commencing at the Northwest corner of the Northeast Quarter of said Section 21; thence Southerly along the West line of the Northeast Quarter of said Section 21 a distance of 30.0 feet for the place of beginning of the above mentioned center line and 20 foot strip of land; thence Northeasterly a distance of 505.0 feet to a point on the center line of Stadium Drive West that is 10.0 feet South of the North line of said Section 21 for the termination of the above mentioned center line and 20 foot strip of land.

WHEREAS, Ivan Williams and D. Glendon Williams have also requested a temporary easement over, upon, along and through certain real property owned by the Board of Regents on the Northern Illinois

University campus for construction to hook on to the University's sewer system, said temporary easement for construction purposes being described as follows:

A strip of land 50 feet wide, being 25 feet wide on each side of the following described center line, situated on part of the Northeast Quarter of Section 21, and part of the Southeast Quarter of Section 16 in Township 40 North, Range 4, East of the Third Principal Meridian, DeKalb County, Illinois: Commencing at the Northwest corner of the Northeast Quarter of said Section 21; thence Southerly along the West line of the Northeast Quarter of said Section 21 a distance of 30.0 feet for the place of beginning of the above mentioned center line and 50 foot strip of land; thence Northeasterly a distance of 505.0 feet to a point on the center line of Stadium Drive West that is 10.0 feet South of the North line of said Section 21 for the termination of the above mentioned center line and 50 foot strip of land.

NOW, THEREFORE, BE IT RESOLVED THAT:

The Board of Regents hereby authorizes and directs its Chairman and Secretary, for and on behalf of said Board, to execute a Grant of Easement conveying to Ivan Williams and D. Glendon Williams for a hookup on to the University's sewer system the foregoing permanent easement and the foregoing temporary construction easement over, upon, along, and through the above-described real property.

Mr. Patterson moved for approval of the Report of the President of Northern Illinois University. The motion was seconded by Mrs. Suggs, and it carried unanimously.

Illinois State University - President's Report

President Watkins presented the following items for approval by the Board:

1. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all transactions reported is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month was submitted for approval, as appended to the President's Report.
3. Capital Improvement Projects
 - (a) Project Approval

- (1) Rehabilitation of Cardinal Court Apartments
Permission was requested to design and receive bids to rehabilitate 24 apartments at Cardinal Court. Project will be funded from Bond Revenue Series 1957 Building Maintenance and Equipment Reserves, and Bond Revenue Series 1970-70A Rehabilitation and Development Reserve, at a total cost not to exceed \$240,000.
- (2) Remodeling of Residence Hall Lounge Areas
Permission was requested to engage the firm of Evans-Mills-Gardner, Architects, of Bloomington, IL, for architectural and engineering services for remodeling of Residence Hall lounge areas.

The President reported to the Board that the University has received an offer from John Nuveen and Company, and the Wilson White and Company, and has agreed to redeem certain bonds of the 1961, 1963 and 1967 Series.

Ms. Theobald moved for approval of the Report of the President of Illinois State University. The motion was seconded by Ms. Welander, and it carried unanimously.

Sangamon State University - President's Report

Acting President John H. Keiser presented the following items for action by the Board:

1. Personnel transactions for faculty and other employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month was appended to the President's Report and submitted for approval.

Mr. Resnik moved for approval of the Report of the President of Sangamon State University. The motion was seconded by Mrs. Suggs and it carried unanimously.

There being no further business before the Board, on motion by Mr. Patterson, seconded by Ms. Burns, the meeting was declared adjourned. The next regularly scheduled meeting of the Board of Regents will be held at Illinois State University on May 18, 1978.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Illinois State University - Normal, Illinois

May 18, 1978

The regularly scheduled meeting of the Board of Regents convened at 10:30 a. m. on May 18, 1978 in the Circus Room of the University Union at Illinois State University, Normal, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order by the Chairman, roll was called, and the following Regents were present:

Ms. Carol K. Burns	Mrs. Eleanor R. Suggs
Dr. Dan M. Martin	Ms. Kimberly A. Theobald
Mr. D. Brewster Parker	Ms. Jill Welander
Mr. Richard Resnik	Dr. Harry L. Wellbank
Mr. Charles B. Shuman	Mr. David E. Murray, Chairman

Mr. Michael J. Brady and Mr. James M. Patterson were not present for the meeting.

Also in attendance were:

Dr. Lloyd I. Watkins, President, Illinois State University
Dr. William R. Monat, Acting President, Northern Illinois University
Dr. John H. Keiser, Acting President, Sangamon State University
Dr. Franklin G. Matsler, Executive Director, Board of Regents

Others present for the meeting included staff members from the universities and the Central Office; Mr. James M. Winning, Legal Counsel; members of the Joint University Advisory Committee; and representatives of the news media.

The minutes of the meeting held on May 5, 1978 had been distributed prior to the meeting and the Chairman asked if there were any additions or corrections to be proposed. Mr. Shuman moved for approval of the minutes. The motion was seconded by Ms. Theobald.

Dr. Matsler noted that in connection with contract approvals for the parking facility at Northern Illinois University, approval was granted with the understanding that the funds for the project are now in the process of going through the legislature for appropriation. He said he had been advised yesterday that the bill for \$684,000 had passed through committee in the Senate and should be on the floor of the House next week. It probably will be about 10 days, Dr. Matsler said, before the bill reaches the Governor. He said he only wanted to make sure that it is understood that we intend to use the funds from this appropriation for the parking facility rather than funds which are now locally held.

Mr. Shuman asked that in connection with the contract approval for replacement of the windows in Neptune East/West/Central and Gilbert Hall, the language in the minutes be changed to indicate that the recommendation was for a contract to be awarded to the only bidder on the project (page 2.).

The question before the Board was called, and the minutes were approved as corrected.

CHAIRMAN'S ITEMS

Mr. Murray said inasmuch as Mr. Parker had been officially seated at the last meeting of the Board which very few people had attended, he would announce publicly at this time that Mr. Parker had been confirmed by the Senate. Mr. Murray noted that Mr. Parker is from Lincoln, Illinois, and is the President of the Logan County Title Company. He did his undergraduate work at Illinois Wesleyan University and is a graduate of the Law School at the University of Miami. He was associated with Chicago Title and Trust for 5 years, after which he moved back to Lincoln and took over the title company there. Mr. Parker has been a student at Sangamon State University also. The Chairman welcomed Mr. Parker to the Board, adding that he was confident he would find his tenure on the Board interesting and that the Board would benefit by his experience and expertise. Mr. Parker thanked the Chairman for his comments.

Mr. Murray called upon Dr. Matsler to report on the Board's self-study which was conducted on May 4 and 5.

Dr. Matsler reported that he would be sending to members of the Board a summary of discussions at the self-study. For the information of the public, he said, the Board did examine itself rather carefully and looked at such areas as institutional planning, tenure, and legal matters and how to handle them from the Board level. The Board also filled out questionnaires in connection with the self-study, and the feeling of the mentor, Mr. William Dees, past chairman of the Board of Governors of the University of North Carolina, was that the Board of Regents seem to have a good grasp of the matters before it. Mr. Dees was pleased and, generally speaking, believes that the Board of Regents can feel that it is doing a good job as a governing board.

Mr. Murray added that the Board members felt that the self-study was a worthwhile and educational experience for them.

REPORTS TO THE BOARD

Board of Higher Education Actions

Dr. Martin reported that there were several items of some significance to the Board of Regents which he would report on. We did have several requests for degree programs rejected, a matter which will be referred to later on the agenda today. Dr. Martin said that the procedure used by the Board of Higher Education for evaluating these requests is certainly coming under increasing criticism as the total number of such requests declines. Representatives of the University

of Illinois who attended the BHE meeting were quite forceful in their criticisms of the current structure, he said, and this is something we will be watching. It may be that there will be some changes in the offing with respect to the Commission of Scholars.

Mr. Murray asked what Dr. Martin meant by his statement that the University of Illinois had been forceful in its objections.

Dr. Martin said they were very critical of the use of this outside committee of scholars from outside the State and the nature of the verdicts they render as being incomplete. This is also echoed in our agenda today, Dr. Martin noted - the fact that they are incomplete and not always germane to the requests in the first place. He said he is not sure what will happen, but he would certainly anticipate some kind of response from the staff of the Board of Higher Education.

Another matter of importance, Dr. Martin said, was that a rather substantial policy paper was presented to the BHE regarding future planning, and this was presented for inclusion in the policy manual of the Board of Higher Education and would provide for term approval of off-campus programs, so that authority to the systems would be limited to a term of years rather than simple approval. Fortunately, Dr. Martin said, they had been able to set that aside, so that the BHE adopted it as a kind of position paper rather than include it as operating policy of that board. There will be more discussion of the subject, he reported, but he had been pleased that what amounts to a significant policy change had been averted.

Dr. Martin said there was also a great deal of controversy about an enormous bond issue for the University of Illinois. Some inaccurate information was given out about the way general revenue funds support the application of student fee revenues to bond projects. This is something we will have to watch closely, he said, because the student fee question is very controversial and does, as soon as we require a student fee, in effect draw general revenue funds to the extent that the State Scholarship Commission does cover those fees for students who are eligible for aid.

Mr. Shuman inquired of Dr. Martin if the bond issue the University of Illinois is floating is funded entirely from student fees. It is, Dr. Martin advised, and the most controversial thing was a sports arena at the Chicago Circle Campus which is something in the nature of a \$7.5 million proposition. This was the largest element in a very comprehensive proposal which would be financed by a \$15.00 increase in the fee to all students in that system.

Have the students been asked if they want this or not, Mr. Shuman asked. Dr. Martin said he could not answer that. Did the Board of Higher Education approve this, Mr. Shuman asked. Yes, Dr. Martin replied.

Mr. Murray said he presumes that this is the same program that received public commendation by the Governor. That was the new financing of the bond issues, Dr. Matsler stated, which was just consummated last Monday, although this may be a part of it.

Mr. Shuman said he thinks that our own experience here at ISU with student funding of big expensive projects and the injustices of what they finally tried to do by transferring them to general revenue convinces him that this - to use the vernacular - is a rip-off. He just does not think much of this, he said, and it is something that is damaging to all the rest of the universities in the State of Illinois. Mr. Shuman said he resents the University of Illinois going in this direction, it is a tragic mistake, and a rip-off of students in future generations.

Dr. Martin said these bonds have a term of 30 years. Even though current students are consulted, in this system or any other, we must ask the question much more closely: does agreement of the current generation of students make it appropriate?

Dr. Matsler said he had intended to bring to the Board as a matter of introduction the possibility of our own universities refinancing their revenue bond issues at some date soon. This would provide an opportunity to plan for capital construction and rehabilitation in the bond revenue area over the next 30 years. Staff has been in touch with the same firm that handled the matter for the University of Illinois, he said, and it is believed that there is a possibility we could refinance \$28 million at NIU and \$40 million at ISU in such a way that the debt would be spread out over the next 30 years, taking advantage then of the ability to intermingle funds from one project to another. This does have the support of the Governor and the Auditor General, he added. Dr. Matsler said he would be bringing to the Board details on this next month, but there are still some technical problems regarding Internal Revenue Service rules. Staff will keep the Board informed on the matter.

Lest someone interpret his earlier comments as applying to this sort of plan, Mr. Shuman said, this is an entirely different matter. This is a refinancing which should lighten the load on students in the future.

NIU Presidential Search Committee

Dr. Wellbank, Chairman, reported that May 10 had been the cutoff date. The committee has received 154 nominations or applications. Of that number, 18 have declined, so that 136 are still active. Mail-Grams have been sent to those individuals for whom they do not have letters of recommendation, and that cutoff date will be before May 27. At the present time the committee is reviewing the files that are complete. The search committee will meet on May 27 to attempt to cut down the number to something reasonable - perhaps 20 or so.

SSU Presidential Search Committee

Dr. Martin, Chairman, reported that the SSU search committee met last Thursday, Friday and Saturday in Chicago to interview a small group of candidates. From that group they have selected a smaller number who will

be receiving visits from sub-groups of the committee this week and next to talk with people who are working with them and who are in a position to evaluate their performance. The committee will meet again on May 25 at which time it plans to select a smaller number of candidates who will be invited to visit the Sangamon State campus and meet with all of the constituencies there. The committee is still aiming to bring recommendations to the Board at the next meeting, Dr. Martin advised.

Joint University Advisory Committee

Mr. Koltun, Chairman, welcomed to the committee new members from Illinois State University: Brian Barton, a sophomore student in the Agribusiness Program, and Dr. John Mc Carthy from the Department of Educational Administration; and from Sangamon State University, Professor Michael Ayers of the Work, Culture, Society Program.

Mr. Koltun reported that at its last meeting JUAC had an extensive conversation with regard to a particular personnel case at one of the three Regency Universities. The Committee chooses not to speak to the particular facts in this case before the Board. However, he said, since from time to time similar situations do occur at all of the universities - a personnel case going through channels, going through appeal boards, hearing panels concerning due process, only to yield a decision which has been overturned by the president - the Joint University Advisory Committee does feel motivated to make some comment.

As faculty, JUAC seeks a means to alert the Board of a controversial case, and strongly urges that the Board review the facts of the situation. As it now stands, Mr. Koltun said, it is the president who transmits the report and a recommendation to the Board. The committee recognizes the right of the Board to review or not review a case as it chooses, but it does feel that there should be a way for faculty to alert the Board as to how controversial a case is, and how important it is for a review, short of the individual filing a lawsuit. The committee, Mr. Koltun advised, seeks clarification of the role of the presidents regarding personnel decisions and appeals. Is the president bound by the decisions of personnel committees on campus? If he disagrees with the recommendation of those committees, how will the Board be apprised of those disagreements?

With regard to Section V of the Executive Director's Report which would amend Board Regulations relative to Regents' Tuition Waivers, the committee has no quarrel with the substance of the proposal and supports it; but they are concerned when an item like this comes in for Board action the first time it appears in the Executive Director's Report. The committee recognizes that Board Regulations may be amended without benefit of a first reading, he said, but would suggest that consideration be given to a proposal for an emergency classification, under which such items would require a different number of votes for passage.

Mr. Koltun said with regard to Section VI of the Executive Director's Report, JUAC endorses keeping tuition as low as possible and wishes to express its

pleasure that the Board is able to recommend no increase in tuition.

Lastly, Mr. Koltun said, he would report that the preceding evening the committee received nominations for officers for the coming year. Dr. Wayne Albrecht has been nominated as Chairman, Dr. Charles Hicklin as Vice Chairman, and Dr. Michael Ayers as Secretary. The election of new officers will occur next month, and they will take office in July.

Mr. Murray thanked Mr. Koltun for his report, and he welcomed the new JUAC members to the deliberations of the Board.

Mr. Murray said he wished to respond to Mr. Koltun's comments about personnel matters, but without knowing more about the facts than he does, he would not comment on the specific case. This is one of the matters discussed by the Board at its self-evaluation study; and as some may or may not know, over the last two or three years the Board has been involved in the review of personnel decisions that the Board is really not equipped to handle. The Board has fairly well concluded that it will take a look at the procedures, and if it is assured that due process has been followed throughout the procedures, the Board does not feel that it is equipped to go into the evidence and make a personal review on an individual basis of personnel decisions that are made by the universities. The Board feels this would be inappropriate. However, it does want to be cognizant of all procedural aspects and make sure that they are fair and that they are being followed to the letter. To the extent that JUAC or anyone else feels that this is not being done, Mr. Murray said, the Board would appreciate having this brought to its attention, and the comments made by Mr. Koltun are appreciated.

On a personal note, Mr. Murray reported that he had the pleasure of attending the ISU graduation ceremonies and those at Northern last week and he wished to compliment everyone involved. Both went off very well and were a credit to the institutions. He expressed his appreciation for being invited to participate on behalf of the Board.

Dr. Matsler said that he had attended the Sangamon State commencement and it too went off very well. Mr. John Ciardi, the noted poet, was the principal speaker. Dr. Matsler said the unusual traditions that are growing on the SSU campus make it a pleasure to participate. Mr. Parker added that he, too, had participated in the Sangamon State ceremonies and it had been an honor for him to sit on the platform.

Perhaps next year, Mr. Murray said, if invited, the Board should take it upon itself to make plans so that at least several of the Regents could attend each of the exercises. Mr. Shuman noted that had it not been for a conflict with a meeting of the SSU Presidential Search Committee, more of the Regents would have been able to attend the exercises.

EXECUTIVE DIRECTOR'S REPORT NO. 96

Before presenting his Report, Dr. Matsler advised that he had distributed earlier to members of the Board the vita of Dr. W. Robert Bokelman whom

he is recommending for appointment as the new Deputy Director for Business Affairs in the Board's Central Office. Dr. Matsler said he would request approval of the appointment effective September 1, 1978 at an annual salary of \$38,160, which is the current midpoint of the Hayes Study range. He added that he would ask for a review of the salary if the Hayes Study is revised. Dr. Matsler advised that the Board had received copies of Dr. Bokelman's vita in executive session, but if anyone in the audience cared to look at it, Ms. Schanzle-Haskins had one available.

Mr. Murray asked if Dr. Bokelman is prepared to accept the appointment if the Hayes Study is not revised. Dr. Matsler said he had promised Dr. Bokelman to bring him in at the midpoint of the current salary range - although he is making something more than that currently. Staff feels fortunate in being able to have Dr. Bokelman join them, he said. He comes from Connecticut where he was Deputy Director for the Higher Education Commission for a number of years, working under Dr. Warren Hill who is now the Executive Director of the Education Commission of the States. In talking with officials in Connecticut, he said, he has been assured that we are getting an outstanding person. Dr. Matsler reported that in reviewing applicants for the positions he had received help from the Vice Presidents of the three campuses who gave some guidance in the early stages. He reported to the Board that Mr. Keating is now back in the office on a part time basis, and it appears that he is mending well.

Section I - Legislative Report

Dr. Matsler directed the attention of the Board to H. B. 2927 (Richmond), which has now been amended to include both Wirtz Hall at NIU and Milner Library at ISU. It is very fortunate, he said, that we have been able to get these projects in, and it is hoped that the Governor can support both.

Senate Bill 1527, sponsored by Senator Shapiro, is the appropriation bill for the Regency System, and it has now gone through the Senate, having passed out on third reading yesterday. The bill will probably be heard by the House committee in two or three weeks.

Senate Bill 1569 is the bill referred to earlier which will appropriate the funds for the parking facility at Northern. SJR 66 will provide authorization for the student housing project at Sangamon State. This bill is currently on the Secretary's desk in the Senate, awaiting final action before it goes to the House.

Section II - Commission of Scholars Meeting

Dr. Matsler reported that this section deals with the decision of the Commission of Scholars relative to the Ph. D. program in Applied Computer Science requested by Northern. The Commission decided against the program, although, interestingly enough, he understands that the staff of the BHE had been supportive of it. However, because of the Commission's decision, the program will be held up for at least another year. Dr. Matsler said we are not sure, in fact, that the Commission of Scholars is doing what it should be doing, or whether a group of people from universities in the Midwest who have interests of their own should come in at the request of the Board of Higher Education to look at doctoral pro-

grams in Illinois and advise the BHE whether or not they should be approved. It may be that this is an appropriate way to go, but in this day when so few programs do come to the BHE at the graduate level, we are not certain that this is the best. Staff feels that perhaps this is something for the Board of Higher Education to ponder, not because Northern's program was turned down, but rather because there is some dissatisfaction with the procedure.

Dr. Monat said they, too, are concerned by this most recent action by the Commission regarding the doctoral program. One of the areas of their concern focuses upon the charge that is given to the Commission of Scholars, which calls upon the Commission to address issues of quality, but reserves to the Board of Higher Education staff considerations of duplication and need. Dr. Monat said as they looked at the report of the Commission in which they recommended against approval, it appeared that the Commission was addressing the matters of need and duplication - in some part at least - rather than quality. He said NIU has had extended discussions with Dr. Wallhaus about this, and he seems to share some of these same concerns.

Is the determination of the Commission of Scholars binding upon the BHE, Mr. Murray asked. It is just advisory, Dr. Martin said. Dr. Monat added that it is his understanding that the BHE has never approved a program without it being recommended by the Commission. But Dr. Matsler noted that they did approve one such requested program - when the Commission approved and recommended the Ph. D. in Physics, the staff of the BHE turned it down. Mr. Murray asked if the staff of the BHE approved of our program request. Not formally, President Monat responded, although he understands that they were in sympathy and were supportive of the program; but they made no recommendation to their board.

Mr. Murray said it seems to him that if the staff of the BHE recommends the program, and it is being held up because of the action of the Commission of Scholars, we should take some affirmative action to recommend to the BHE that they give reconsideration to the procedure of utilizing the Commission of Scholars. Dr. Matsler said he is not quite sure of the best tactics on this. We do want this program, and we will again bring it to the Board of Regents, asking that it reaffirm its approval that the program be sent to the BHE again.

Mr. Shuman said he had always thought it was the purpose of the BHE to do these sorts of things, not to pass it off on some supernumerary court some place else. He added that he would think that the BHE is avoiding its responsibility when they turn to someone else for these decisions. The BHE has plenty of staff to do this job itself.

Mr. Murray said he would think that we could find the needed expertise in Illinois, and the competing interests in the State would not be any greater, or more in conflict, than those from outside the State.

Dr. Martin said he doubts that such interests would enter into the matter,

however, he does think that this whole matter needs a review. If this Board feels like saying something formal to the Board of Higher Education about it, that might help it along. Dr. Martin said the University of Illinois also feels the procedure is deficient, chiefly because a Ph.D. program in English at Circle Campus was turned down. There may be some real question about how this is done, he said, and if the language that is in the Staff report reflects the depth of the analysis, he is very disappointed in the procedure.

President Monat said he shares Dr. Martin's concern enthusiastically. This particular proposal and others have been scrupulously examined by the Board of Regents' staff, else the Board would not have received a recommendation to support it. It has also been reviewed by the staff of the BHE rigorously. The Commission of Scholars met with university staff for about 45 minutes, and on that basis decided not to support the program.

Dr. Hicklin of JUAC said he would like to go back a little in history. He happened to be one of the people who came up with the idea of such a commission - one other person in on this happened to be the Dean of the Graduate School of the University of Illinois. The commission was originally conceived to prevent a medical school from being built in Carbondale. Originally, one half of the members of the Commission were from outside Illinois, the other half from in-state. The commission was set up to prevent the building of a teaching hospital in Carbondale where there were no patients - to take the heat off the staff of the BHE - which was much smaller in those days and just getting off the ground. It has had a checkered career, Dr. Hicklin noted, but perhaps some of the problem has to do with the various personnel and the way they deal with the Commission. Faculty, over the years, has supported the Commission, he said, except perhaps when they crack down on their own campus. The original idea was that there would be some expertise brought in, an ad hoc group brought in for specific problems. The commission did serve its purpose then, but perhaps it has served its purpose too long, Dr. Hicklin added.

Mr. Murray said it seems to him that a recommendation to the BHE that they review the reasons for the powers of the Commission over new programs might be in order.

Dr. Martin then moved that the Staff be directed to communicate to the Board of Higher Education a request from the Board of Regents that it review its procedures for utilizing the Commission of Scholars and the process employed by the Commission in the review of doctoral programs.

Dr. Matsler suggested that the Board might wish to instruct the Staff to discuss informally with the BHE staff the possibilities of doing away with the Commission of Scholars and report back to the Board in June. Mr. Murray said he did not know that we would want to do away with the Commission, but certainly the procedures should be reviewed. If they have just a perfunctory review process, which is not as good as the staff of the BHE, this would seem to be in order. Dr. Martin agreed, adding that in line with Dr. Hicklin's comments, the staff of the BHE does not need to pass the buck.

Procedurally, where do we stand, Mr. Murray inquired. Dr. Martin said he had made a motion, but there had been no second as yet. Mr. Murray asked Dr. Martin to restate his motion. Dr. Martin said his motion was intended as a resolution to formally ask the Board of Higher Education to review this matter, and along with that, that there be a communication by Staff. It is important for the Board of Regents to talk to the Board of Higher Education, Dr. Martin noted. The motion was seconded by Dr. Wellbank, and it carried unanimously.

Section III - Report on Units of Instruction Below the Level of a Major

Dr. Matsler said this report was a re-examination of what has been discussed by the Board previously, regarding utilization of concentrations, emphases, sequences, options, specializations, etc., and also the differences between the Bachelor of Science and the Bachelor of Arts degrees. He said he would ask Dr. Groves to give a short background on the discussions and then perhaps the presidents might wish to comment, inasmuch as they had submitted to the Board some corollary statements on the programs.

Dr. Groves said this is, perhaps, a confusing collection of concepts, but it is a useful one. The Staff report was intended to provide information on how this all came about, how the concepts developed, and the use that they have at the present time. As to the distinctions between the B.A. and the B.S. degrees, Dr. Groves said perhaps the best way to deal with this would be by discussion and questions.

Mr. Murray said his concern is, as referred to in the Staff report, that certain of the universities are becoming more and more specialized "into the narrow paths of vocationalism". Certainly what they saw last night in the ISU presentation was very specialized, and yet the trend nationally seems to be to re-examine and go back into the liberal arts or general education. It bothers him, he said, that as we sit here on the Board it appears that we are becoming more and more specialized. That may be good if the students can go out in the field and get jobs, but he still wonders if we are going in the right direction. However, maybe his perceptions are not correct.

Dr. Groves said as the report points out a university education has always been composed of a general component and an area of specialization - at least since the late 19th century. That particular balance has been set in different ways, at different times, and at different institutions; but he thinks that there is a balance nonetheless in all institutions of higher education, and a good balance in the Regency institutions. Perhaps the concern should be not so much with specialization, as long as it is kept within reasonable limits (and there are procedures and concerns on campus which keep it within limits), but with the strength of the general education component. That is the nature of the concerns which exist in higher education today - the strengthening of the general component which has perhaps become weak because of neglect, a lack of a sense of what it should be and what sort of role it should provide, and what contribution it should make to a student's education. There is a tendency in a number of universities

to reform the general education component - Harvard has received a great deal of publicity on this - and our universities have also been taking a look at the general education component - but with less publicity. This is true of institutions all across the country. Dr. Groves said he feels that the answer does not lie in placing artificial curbs on opportunities for students to specialize in areas or in the visibility that you give to that; but rather, it lies in the requirements for general education, for a broadening educational experience that is meaningful. That should be and is the focus of our concern, he said.

Dr. Martin said this is certainly a complicated subject, but he believes that there are really two separate topics. One is related to the question of sequences, concentrations, emphases, options, specializations, etc., and the other is the question about the inventory of degrees and what is the difference between the B.A. and the B.S. degrees. He noted that he has raised this question several times, and he would compliment Dr. Groves for coming up with the report which is certainly a very coherent defense of the way things are done now; but he also thinks that it contains some of the weaknesses of what we are now doing as well. But, he said, he wonders what is the use of these formal requirements because it seems to him that in many respects the point is not addressed in the report that what they allow, or what they may be useful for, is short-changing the students on academic advising. He said he was distressed, but also very interested, to read reports from studies made at Northern about the reasons for the high rate of student attrition. There was a good deal of emphasis on the perceived weakness of student academic advising. The problem that he has with all of these things which are required substance of a major, is not that they exist, but that they seem to be a kind of limitation on flexibility. He does not mind a student working within the structure of a major to pursue a special interest that comes under the heading of a major - the more flexibility a major provides to do this, working through a department and the professors in a department, the better. Dr. Martin said what really disturbs him is the way we seem to be presenting a set of pre-packaged ways of attaining a major, wrapped in cellophane, and delivered through a vending machine. This really suggests to him that we are short-changing students because it is insufficiently flexible. What is the use of these formal sub-requirements to a major? What is the function? He could put it into the context of the concerns raised by students about academic advising. Are they being told, "Well, here are your options, there are four in this major." Dr. Martin said there should be as many options in a major as students taking the major, but this takes lots of time. He does not know how much time people have, or how much willingness they have on campus to address this. But the reason he is raising the fuss is that he does not believe that these pre-packaged programs serve the students well. Dr. Martin said he was grateful to Dr. Groves for drawing the distinction between areas of study that do not have requirements, and as the report states are "used for advisement purposes". That he understands - to give students some recommendations. For example, if a student is a political science major and interested in public administration, the department would say, "Here is a cluster of courses which let you concentrate in a sub-part of a political science major." Or, if the student were interested in a Safety major and wanted to concentrate on safety elements of the State Fair, he would be able to concentrate in that area. This seems to him to be extremely desirable, Dr. Martin said, and it really is not a matter of specialization vs. general education.

Dr. Martin then moved that the Board request some further report down the line on this subject of academic advising of students and what can be done to improve it; and that in the meantime, say, for a period of one year, the Board declare a moratorium on the creation of any new sub-major groups of required courses which has no impact on a department setting up a program that is in a major for the purpose of guiding students with a specific interest. The motion was seconded by Mr. Resnik.

This is an important subject, Dr. Matsler said, and one that the Board of Regents should study. He wonders, he said, if it would be agreeable with the maker of the motion, instead of asking for a moratorium during the next year, to ask for a special justification for each of these sub-programs, leveling the explanation on the reasons for the specialization. In the past, he noted, Staff has provided the Board with summaries of all these new programs, and in addition the Board has received the more detailed requests. Dr. Matsler said he is not sure how many of these might be in the pipeline and perhaps the Board might wish to ask Dr. Groves or the Presidents about this. But to declare a moratorium might be unfair to a lot of planning that has gone ahead in the last year or so. If special emphasis is given to the reasons for the sub-programs and they are examined carefully before they come to the Board, would this be satisfactory?

Dr. Monat recalled that the last time this issue was before the Board, while he and Dr. Martin did not "pair off", they did have a slight disagreement. That arose over the fact that the proposed programs at Northern were being held hostage. Fortunately, the Board did approve them. Today, NIU has an emphasis in Dance coming before the Board, he said, and he would hope that the Board would "dance it through".

Dr. Martin said he would be willing to say that such a moratorium would not take place until after today's meeting.

Dr. Matsler said there will be programs coming up all year long. It takes a year, sometimes longer, to get these through faculty committees. A moratorium would be all right, he added, but he did not know if this would be fair to all of the planning that has already occurred. Perhaps it would be preferable to set it for six months from now, or ask for the special explanation on sub-programs with the understanding that each would be addressed as it comes along.

Dr. Martin said he is not too clear about the problem Dr. Matsler has with this, because there is certainly no impediment to departments and schools going ahead and constructing programs that fit into the category of "area of study", and putting that in as a recommendation for students who are interested in a particular area. It could be put into departmental materials so that if this is a student's orientation, there would be this series of courses he would want to think about. He would applaud that, he said. He is only objecting to programs that have formal requirements that seem to him to be "wrapped in cellophane", and which do not come to the Board. The adoption of an area of study doesn't require action by the Board of Regents, and he would be willing for departments and universities to construct as many of these as possible for student advisement purposes. His concern is with the way we use these programs that are formally

set up and have requirements and require Board action. He would just as soon keep as much of this as possible at the university level.

Dr. Groves said that where a unit of this sort is established, it is rather frequently the case, and Staff calls on it for being the case, that it would be mutually exclusive to other general opportunities. Suppose, he said, that you have a field such as political science and you establish an emphasis in public administration and an emphasis in international politics. The purpose would be not to limit the student's choice to one of the fields - there would be the whole other field of political science which would be available, and the student could pursue any interest in the field he wished. The purpose is not to constrict him, but to provide an opportunity for specialization for students who want this. Frequently we find that the same field will have both areas of study and emphases side by side. In other words, Dr. Groves said, a field has felt that it is appropriate to break out something like public administration in order to give it a certain visibility because of the applications of the profession; but they will provide other areas of study than that one which are not broken out as emphases. This is seen as providing an extra opportunity for the students.

Dr. Groves said he thinks the premise behind Dr. Martin's motion is that the existence of the units is in fact detrimental to advising. However the universities have carried out studies of advising - particularly Northern, but also the other two - and he would be interested in hearing the Presidents' remarks as to whether there is a tie between these. Dr. Groves said he has not seen any evidence of this, and he would be interested in seeing if, in fact, there is a "cop-out", to see if faculty is shirking its responsibilities for advising, and to see if there is a relationship.

Dr. Martin said he thought Dr. Groves was painting his remarks a little too strongly, but he happens to believe that there is a relationship.

President Watkins said he does not believe there is any clear-cut answer to this. The concept of a sequence at ISU is a concept wherein within a major one could have an emphasis in an area, and the faculty of that particular discipline decide that a certain type of course sequence, a certain number of courses at any rate - these are not always prescribed to the nth degree - would be helpful in achieving that type of emphasis. Sometimes things are prerequisite one to another simply on the basis that prior knowledge in a field is required before one goes on to another field. At ISU they are concerned about the problem of doing a better job always with advising. It is a little difficult when you have a fairly high student-faculty ratio of nearly 20 to 1 and you have a substantial number of students who do need that type of advising. It is also difficult in an institution such as ISU, and perhaps NIU, to make advising mandatory. This is one of the things that has been talked about in higher education for a number of years. There are institutions which will not allow a student to get a program put into the computer or accepted until that program has the signature of someone who will say that he has advised the student, that he approves the courses, and that the student is moving toward some kind of ultimate career plan. But that is generally not the case at larger institutions, and to that extent, sequences are a guard against a prescription within the sequence. His point is, he said,

that not every sequence is prescribed - there are latitudes within sequences. Sometimes a choice is between things, but that is an attempt to keep the student focused in a direction. But this is not an easy question, Dr. Watkins acknowledged.

It is one of the questions he would like to have a better understanding of, Dr. Martin said, and that is the reason he suggested that we take the time to test the connection. Perhaps our institutions are too big to provide this kind of advising that he may be groping for. He would like to know that, and he thinks the Board ought to know that and make some kind of decision about it. Later on the agenda, Dr. Martin said, the Board will be looking at the Staffing Plans, and the question about the assignment of staff to advising is one of the responsibilities of the Board. It seems to him that this is something that is too weighty to jump into, and that is why he would like to ask that we step back and put it on the agenda to really investigate.

What effect would the motion have on the universities, Mr. Muarry asked.

President Monat said he did not have the Academic Plan for next year with him, but he would ask Dr. Groves if in his recollection NIU has any sequences, etc. projected in the plan, because if so, they represent the investment of a great deal of time and thought on the part of many faculty committees, and he would hate to have them aborted.

Yes, there are some, Dr. Groves said, although he could not say how many. In addition, he said, there is another aspect to this, because the universities have not been required to identify those in the academic plans - it has been a rather permissive thing - and in certain instances there have been such concepts developed in a rather flexible fashion after the fact and not anticipated in the academic plans. The major ones have been anticipated in the NIU plan, but not at ISU.

President Watkins said Provost Horner had just advised him that ISU has none in the pipeline at this time of which he is aware. Dr. Horner said they do not anticipate any in the next year.

Dr. Monat said he is aware that they do have one graduate specialization in the College of Nursing which, if not acted upon, would put the University in a terribly awkward position with the federal government. They have been granted \$500,000 to develop and plan it.

On that score, Dr. Martin said, the intent of his motion was limited to undergraduate programs. In response to President Monat's concern, he said, he is not looking for abortion but for an opportunity for the programs to linger in the comfort of the womb.

Dr. Keiser said Sangamon may have several problems at the graduate level, but if these are exempt, they would not. He would like to say, however, that without freshmen and sophomores, and with students whose average age is 30, one first of all has to count on community colleges or other institutions for general education. He said he is sure that this is increasingly true at NIU and ISU also. The more you concentrate on specific focuses and sequences, etc.,

the less you tend to talk about what a bachelor's degree really means. He would suspect that that is what taxpayers pay for, the general kinds of concerns they have about what a degree holder should be able to demonstrate in terms of characteristics - literacy, awareness of public questions, ability to have a perspective that is a little deeper than average as the result of good disciplinary studies. But because of these kinds of discussions, he said, people frequently forget the importance of defining what a baccalaureate degree is - and that is what the Regents award. He has not heard a lot of discussion of what is meant by it, or what the holders of the degree from the three institutions would have in common. Instead, there seems to be a great deal of discussion of sequences and smaller things, rather than what they are supposed to contribute; and certainly he thinks that any justification would include a statement that we think they will lead to people being able to do four or five things that are characteristic of a baccalaureate degree. A discussion of this broader question would be equally valuable, Dr. Keiser said, as a discussion of the narrower ones, which perhaps are best left to faculty, if the Board can be assured that they are handling the other characteristics as well as the Board would like.

In view of what he has heard here, Mr. Resnik said, he does not see that the motion would pose any severe limitation on what would be happening, other than a few things in the academic plans, and it would provide a chance to see what these things do to the undergraduates - other than direct them onto a path that they are not really sure they want, and perhaps alienate them from the institution because they have become too specialized in an area that has become irrelevant.

Mr. Murray noted that at the NIU graduation he heard some severe criticisms of the Board of Regents for graduating so many students who are so ill-prepared to be employed; and he is not insensitive to that. Unfortunately, he cannot decide whether the so-called emphases help or hurt the situation - possibly they do both. Mr. Murray said he gathered that Mr. Resnik supports the first part of Dr. Martin's motion, but he asked if he also supports the latter half. Mr. Resnik said that he supports both parts.

Ms. Theobald said she could see both sides of the question. As far as Mr. Murray's report of the criticism by the student at Northern, she said, you hear quite frequently of students who are graduated in a non-liberal arts area and get into their desired occupation, who are immediately retrained and told not to pay attention to some of the technical training they had been given in college because a lot of it is not applicable. Of course, there are also a lot of liberal arts majors who graduate who are not trained to do anything specific, but that problem can easily enough be alleviated once they do get into a particular area. Her own personal feeling is that we must concentrate more of our thinking - not all of it - on teaching students to think. We are graduating a great number of people who do not know how to think.

Dr. Wellbank said this whole question goes back to Plato and it has never been adequately answered by anyone; and he does not believe that a moratorium of one month, two months, one year or even a hundred years will give us the answer.

Mr. Murray said this is his objection also and he does not know that a moratorium of a year will serve any purpose, and would probably create more paper work and hardship than has already taken place.

President Watkins observed that he did not know whether any curriculum ever devised could teach some people to think - this has to do with innate abilities or a desire to apply what one knows.

As to the motion before the Board, President Watkins commented that in terms of what we are talking about, there seems to be a feeling that we are graduating people who lack certain skills we would like for them to have, and the Time magazine articles seem to have placed the blame for that rather rigidly at the doorstep of the university. He would simply point out, he said, that the blame for being functionally illiterate starts very early, and a unified approach to this all the way from kindergarten on up should be a national imperative.

We have talked a lot about the effect of sequences, etc., and the effect of a broad based education, President Watkins said, and he would hope that when we get into this area of discussion we would seek input from the placement directors of the institutions who are in a position to give that type of an evaluation of what people in the society that supports our institutions say about our problem. They can provide some view of how our product is being received, whether they be broadly educated or educated in a more vocational manner.

Mr. Shuman requested that the question before the Board be divided.

President Monat said he believes it is not only entirely appropriate but compelling upon the universities to address the issue of academic advising. Their studies at NIU in the past year have shown one problem in terms of the survey results that is troublesome to everyone - the problem of advising. They are now in the process of not only raising the issue, but also of addressing it, and they will start next year to do some specific things to get a hold on this. He would suspect from what he heard last night that advising at Northern is different than at ISU. They do have in each of the five structural colleges a college advising emphasis which has a broad range of responsibility. They may form that responsibility with greater or lesser effectiveness, but there is certainly no doubt that the responsibility is there. The same thing can be said of the academic departments - some do a better job than others. But there is no question that this is a responsibility of the faculty in the departments.

Dr. Monat said he would personally applaud the first part of the motion to ask the universities not only to address the issue, but to also share the results of that with the Board.

Ms. Welander said her main objection to sequences is not that they exist, but the purpose for which they exist - to train people for jobs. President Watkins just referred to students as products, she noted, and she resents the reference to students as products or commodities that come out of a job training factory. Ms. Welander said she is a person who comes out of an institution, who is learning to use analysis as a tool to observe her society and how she relates

to it. She finds this to be a very vital need of education - and more important than earning a living.

Dr. Watkins said he would substitute the word "graduate" for "product", but his point was that one piece of input that we need to have is how the people who are graduating from our institutions are viewed by people who will or will not hire them. Ms. Welander's personal predilection is her own choice, of course.

Mr. Shuman said that in examining the vitae of quite a few candidates for the presidency he has observed just as many broadly educated people who came from narrow specializations as from the so-called humanities, and conversely just as many narrowly educated people who graduated from the liberal arts as from the more specialized arts. Education, he thinks, does not depend on what degree one has.

Ms. Theobald said in light of all this discussion, she wonders whether the question is over specialization or over what sort of general education a student is receiving in the universities. Perhaps this is the issue rather than majors or minors, or specialization - the kind of general education they are receiving.

Dr. Martin, responding to Dr. Wellbank's earlier comment, said he had tried to make his case for his motion on the question of the quality of advisement on the campuses - not to try to settle the age-old question which actually goes back to Socrates. It is possible that we could do nothing better than to continue to discuss this - although it will never be settled, even in a thousand years. However, he said, his proposed action was based on a much smaller point, but one that he would hope will be strengthened, and the demonstration of the Board's concern and involvement will be strengthened, by saying that there is a connection here, we would like to find out, and if there is something about which we are skeptical, we ought not to be doing it while we are trying to find out what we think.

Mr. Shuman repeated his request for a division of the question.

The Chairman recognized the request for a division of the question, adding that in view of the fact that the motion had changed and amended itself as it proceeded, he would ask Dr. Martin if he cared to restate his motion or separate the question. Dr. Martin said he would keep his motion as a single question, and again move to request the universities to report to the Board and the Staff, also asking for a response from the JUAC, on the improvements in student advisements and on the relationship between that and the presence of formally structured sub-major programs; and that for a period of 12 months we not consider the adoption of new sub-major programs after today in the undergraduate area.

Mr. Shuman said his reason for requesting a division of the question was because he would like to vote for the report, but thinks he might vote against the moratorium.

Mr. Murray asked for a second on the motion to divide. Dr. Wellbank seconded the motion and it carried, with Dr. Martin casting a No vote.

Mr. Murray then called for a vote on the first part of the motion, and the motion carried unanimously.

The second part of the motion before the Board calling for a moratorium of one year was called for a vote and the motion failed to carry, with Dr. Martin casting a Yes vote; and Ms. Burns, Mr. Parker, Mr. Shuman, Mrs. Suggs, Dr. Wellbank and Mr. Murray voting No. Student Regents Theobald and Welander voted No, and Regent Resnik, Yes.

Dr. Martin said he would like to discuss the difference between the B.A. and the B.S. degrees. He said he really finds this part of the report to be inconsistent and self-contradictory. The report states that the Bachelor of Science degree should never be an easier one than the Bachelor of Arts, or be a Bachelor of Arts degree without the language requirement. This was quoted from the Carnegie Report written by Stephen Spurr, he noted. But this Board of Regents heard from Professor Salovesh at Northern not long ago that that is precisely what the B.S. degree in Anthropology is.

The Chairman said, with Dr. Martin's permission, the Board would adjourn for luncheon after which the discussion would be continued.

The Board reconvened at 1:00 p.m. in public meeting. Dr. Wellbank did not return to the meeting. The Chairman recognized Dr. Martin to continue the discussion.

Dr. Martin said he had no action to propose on the matter except to say - and he would hope others would also say - that the case Dr. Groves makes in the report does vary from our practice; and the report really does underscore what he had been trying to say when the Board was confronted with the question of the B.S. degree in Anthropology at NIU, particularly given what Dr. Salovesh told the Board then about the difference and the reasons for it - which was that other departments in the social sciences have the degree which does not require a foreign language, and that it would be unfair to the Anthropology Department to suffer that kind of disadvantage. Dr. Martin said he had no intention to say anything further, except that he feels this is a condemnation of our degree structure.

Mr. Murray thanked Dr. Martin for his comments, and Dr. Groves for what was obviously an interesting and provocative dissertation.

Dr. Salovesh said inasmuch as his name had been "taken in vain" several times during the discussion, he would state that Northern did come in with a presentation asking for a Bachelor of Science degree in Anthropology, which like all others in the College of Liberal Arts does not require a foreign language. But to say that the B.S. degree is an easier one is absolutely not the case. The additional requirements in science and in math are extremely burdensome.

However, there are students who want to take on that burden and who could not do so and also complete the language requirements. It was to make it possible for them to take the additional math and science which was the reason they asked for the B.S. degree, not to make it easier for them. Dr. Salovesh said his advice would be to stay away from the B.S. degree if one is looking for an easy route.

Dr. Martin said he recalled Dr. Salovesh saying that at the time, but he would remind everyone that his point was that he did not see, and still does not, any rationale for making the distinction between the two programs. There is certainly a good deal of merit in the structure of the B.S. degree program, but to make the distinction which is not understood by the public, and not to give the Bachelor of Arts degree to a student who takes Anthropology and does good work, implies some kind of a second class status to those people who examine credentials. He thinks this is a big mistake.

Dr. Groves said he believes that distinction is what Spurr is advocating - he advocates the existence of the B.A. and the B.S. degrees, with that sort of distinction, and with the B.S. degree not being an easier degree, but one that brings its own particular conception and possesses its own integrity and strength.

Dr. Martin said he would only observe that Dr. Groves has not read the material he is quoting from, because it states that the ideal American practice would be to award the B.A. in certain fields and the B.S. in other fields. It happens, Dr. Martin said, that he disagrees with that, but our practice in the social science department does not bear any relation to what he recommends in the statement.

Dr. Groves noted that Dr. Spurr states that since most students are educated today in complex universities where the gamut of curricula available runs from the traditional and classical to the highly applied, it would seem that the maintenance of two baccalaureate degrees, one in arts and the other in science, should continue to be the dominant pattern. Dr. Martin said Dr. Spurr also suggests that this be divided by disciplines, and that there not be two degrees in any one discipline, with the exception of what he calls borderline fields. Dr. Martin said he does not know that Anthropology is a borderline field. This is not worth a lot of discussion, he said, however it just seems silly to him and he is glad Dr. Groves quoted Spurr because he thinks that he supports his case.

Section IV - Occupational Status of Graduates

Dr. Matsler advised that Dr. Brim prepared this section of the Report which shows some of the trends which were projected a few years ago. We should follow this through with respect to the graduates of our institutions, he said, to see where they go after they earn their degrees. One of the major trends which the report points out is that teaching has declined during the past years. It has gone from 75% of our graduates at ISU to about 33%; and from 54% to 19% at NIU.

At ISU the proportion of graduates taking positions in business, government and industry has increased from 7.3% to 43.1%, and at Northern from 24.8% to 59.5%. These trends are very significant.

Dr. Matsler called attention to Table 1, indicating that in 1968 at Illinois State 119 graduates indicated that they were employed in business, government or industry. For most of the years covered by the table that number increased until in 1975 there were 981 employed in this area. There is an aberration of some sort for the 1976 year when the figure dropped to 417, Dr. Matsler continued, and he does not know the reason for this. Dr. Brim suggested that this was due to the fact that last year the university had an extremely low number of responses from graduates. However, that improved this year.

The table also shows that in 1968, 1236 graduates of ISU were employed in teaching, but after 1970 the figure began to decline and in 1977 there were only 714. At Northern the figure declined during that same period from 1313 to 249.

Ms. Burns suggested that the 1977 figures from Northern should be interpreted very carefully because of the large number of non-respondents. It appears that there are aberrations in the teaching figure, perhaps less in the business, government and industry category.

Dr. Matsler advised that the institutions are working hard to get better data so that in the future we will probably have numbers that are more meaningful.

Dr. Brim stated that the institutions did make a definite effort this year to get a higher percent of response. When you look at the figures for 1968-69, at that time most graduates did respond. Students usually got their jobs then through the placement offices, but as it became more difficult for the placement offices to place the graduates, fewer students responded. During this past year the three institutions attempted to follow-up, and at ISU they made over 1000 telephone calls in this attempt.

Dr. Matsler noted that Sangamon has a large proportion of its graduates in the business, government and industry category, but this is to be expected for a university with a public affairs mandate.

Referring to the data for those graduates not seeking employment, and comparing the graduates from ISU and NIU, Mrs. Suggs said she would like to know what proportion of those not seeking employment are female, and also if there is a socio-economic factor here. Or would it be that they are in graduate school, she asked.

Dr. Matsler said he is not certain that the data can be broken down by sex. Dr. Brim added that the information furnished by the universities did not break it down by sex or ethnic data, although they may have the information on campus. Actually, he said, in certain areas such as elementary education, which while not totally female-oriented, it does have a larger proportion of females. If you take ISU and look at the teaching production, they dropped in five years from about 2200 graduates down to 1200. Of that number, 85% responded.

Citing the example of the field of mathematics, Dr. Brim noted that in 1971 ISU graduated 92 individuals trained to teach high school mathematics. By 1976-77 that number had dropped to 25; and in 1978-79 they anticipate 10. As a matter of fact, he said, the projections in total for 1978-79 for graduates trained to teach mathematics are 25 from ISU, Northern, Eastern, Western and Southern combined. This shows what the effect of the market has done over the years. Some areas have changed - special education has increased, while English has dropped tremendously. The choice of major by occupational possibilities is starting to take effect. Dr. Brim said that the Director of the Placement Service at ISU indicates that because there has been such a drop in students who majored in secondary teaching (from 1300 to about 400), he sees the potential for teaching graduates to obtain jobs to increase. For example, he said, there are a little over 6000 math teachers in the State of Illinois now. Over the years the historical turnover has been about 7%, so you are talking to the point where you are pretty close to getting as many turnover jobs available as you will have graduates within two or three years. However, he added, not everyone in the state agrees with this thinking.

This type of information should be available to academic counsellors, Dr. Matsler said, because the very fact that there can be projections made, and students do need the advice of people who are looking to the future.

Ms. Burns agreed, but said she still finds it difficult to base a trend on 60% of response from graduates. That 60% figure would probably change the numbers for 1977, so in terms of looking at a trend, she would hope that there might be some way to improve the data in the future.

He would also hope that the data can be improved, Dr. Matsler said, although he is not quite sure what constitutes a good sample. In some kinds of studies perhaps even a lesser number would be a good enough sample in terms of looking at trends.

Along the same line, Mr. Shuman said this must have cost quite a bit of money, particularly if they used long distance phone calls to follow-up on the questionnaires. Where you get 1900 non-respondents and only 1260 responses, his background in statistics indicates to him that the results are not very significant. It would be accidental if they were. Mr. Shuman said he does not see why this must be done every year anyway, and perhaps the money could be better spent elsewhere. Why not do this every five years, he asked.

The survey is not made necessarily for the purpose of this report, Dr. Matsler said. Dr. Brim said the report only summarizes material which is available in the placement offices. They do this for several reasons, one of which is to help them in their attempts to do a better job of locating spots for their graduates. This is also of interest to the various departments, because it gives them some kind of idea of what the future might hold for graduates, and what things they might be able to do better. The telephone calls are not made for the purpose of this report. The hardest part is getting a high percent of the bachelor degree graduates to respond. Dr. Brim said he may be wrong, but he suspects that

the results might be biased because of the fact that a happy individual who has found employment through the placement office will respond more readily than an individual who is disgruntled because the office could not help him. However, this speculative.

Mr. Murray said it is amazing that in 1972-73 both ISU and NIU were getting better data than they are now, but perhaps the graduates all got jobs in those years. This is true, Dr. Brim said, in the earlier years almost all of the graduates were placed through the placement offices. This is not true today.

At first glance, Mr. Murray said, we might take satisfaction in the fact that there are only 82 or 84 students seeking jobs - until you realize that 50% have not responded, which is no cause for great joy.

Mr. Shuman said he thinks the report should be dropped if we cannot improve upon it. Every five years should be often enough to do it anyway, and then it should be done with a representative sampling instead of trying to get the information from all of the graduates.

Staff would be very happy to drop the report if the Board should so wish, Dr. Matsler said. Mr. Shuman said he is not prepared to direct this now, but if we can't get any better results from the money that is spent on this, he thinks it is worthless.

The same kinds of data are available not only on the bachelors degree, but also on the masters, sixth year programs and doctoral degrees, Dr. Matsler said. Probably the raw data presented is not significant enough to be understood, he added, and perhaps Dr. Gamsky from ISU could provide some clarification.

Dr. Gamsky said there is some fluctuation in the data, and part of the reason for this is the telephone follow-up. This does not cost the university anything because it is done in cooperation with a private industry that allows the institution to use its lines occasionally to do the calling, because they also have an interest in the results. It depends, however, a great deal on their own business and the availability of the telephone lines. Sometimes they are able to do this and sometimes not, but they certainly would not be able to do this in their own budget. As to the number of non-respondents, Dr. Gamsky said in any type of follow-up study it is quite common that in research a 25 or 35% response would be considered quite good; and anytime you get over a 50% response, it is considered extremely good. It would be very, very difficult to improve on this without a private telephone call, and when we use the lines of private industry most of the calls must be made in the evening. Another factor, Dr. Gamsky said, is that a shift from job placement in education to industry complicates the follow-up studies tremendously. When you have a high ratio of students going into teaching, most are employed in Illinois and surrounding states. When the shift is towards jobs in government and industry, it is far more difficult to get the follow-up data on those individuals who move into private industry in various sections of the country or even internationally. One other point, he said, when it comes to those who indicate that they are not seeking employment, oftentimes there are two major variables. One is those who intend to go on to graduate studies; and the other is a change in lifestyle of students. It is now quite common

for students to want a respite from studying so they really do not seek employment actively sometimes for 3, 6 or even 12 months.

Ms. Burns said she wonders if someone from Sangamon State could share with the Board the reasons for their success, for according to the tables for 1977 there were hardly any graduates from SSU who did not respond.

Dr. Keiser said for one thing their market is local and most of the graduates were from earlier years, most of them were local, so that it is not nearly as difficult to follow up with phone calls.

Mr. Shuman said if we continue to do this report, he would ask that we break it down to show the relative importance of business and industry to government - in other words, break it down into two categories. Dr. Matsler said he would also ask Dr. Brim to determine if we can break this down by sex as requested by Mrs. Suggs.

Section V - Board Regulation Amendment: Regents Tuition Waivers

Dr. Matsler noted that earlier Mr. Koltun of JUAC had referred to this particular section of his Report because of the fact that this amendment is being recommended for action today. This was not brought in for first reading, he added, as is usually done with Board Regulation amendments, although it is not required. However, this is not done very often, perhaps it has only been done two or three times in the last ten years. Dr. Matsler said he does not agree that we should have a special approach to this, but when this is done, it should be brought to the Board's attention.

Essentially, Dr. Matsler said, this amendment would simply remove the need requirement from the tuition waiver policy in the System. We now provide for 3.5% of students who can receive Regents tuition waivers, both graduate and undergraduate. There is also a BHE regulation which provides that only 2% of undergraduates can receive waivers. This amendment would provide for talent of any kind to be recognized - it could be in music, football, almost anything, but it would remove the need requirement for this small amount of waivers. This is, he believes, the only type of aid to students in our system that does remove that need requirement. The BEOG and the ISSC waivers are based on need. This would give the institutions some small flexibility in this area, and Staff recommends that it be adopted.

Mrs. Suggs moved for adoption of the Staff recommendation. The motion was seconded by Ms. Burns.

Dr. Martin said he is surprised to see this recommendation because it does suggest that we are meeting the need of low income students, and he is really surprised to hear that the various financial aid programs do enough to meet those needs, so that we don't need to worry much about this any more and should put some of this financial aid into the hands of a student from an upper

middle income family who might be a good trumpeter. Dr. Martin said this disturbs him, and until there is some evidence that the financial barriers to students from the low and lower middle income families are really being met and we don't have a class barrier to participation in higher education, he is shocked at the suggestion that we are over the hill with this.

Mrs. Suggs said it has come to her attention that any student who qualifies for a BEOG or an ISSC grant, or whatever, which is based on need, and receives any other compensation, that must be reported and, therefore, the grant would be diminished in proportion to what wages he might be able to pick up elsewhere. Effectively, she said, the way the regulation was originally still was not of full benefit to students whose abilities were based strictly on need. In other words, she said, it was a "paper tiger".

Mr. Murray said he would suspect, without really knowing, that this would give the universities a little opportunity to attract some of the well-qualified students who are good performers who would not otherwise need funds. Is this correct, he asked.

President Watkins said he would not say that we necessarily want to eliminate the fact that students who do need funds would not be involved in this program. What it would do, he said, is make the basis of need one of the requisites that can be satisfied - not one that must be satisfied before anything else. He would point out secondly that this whole area of need-based financial aid has been expanded tremendously in recent years and at public universities, very frankly, we have positions for work-study people which were available and for which no qualified applicants existed during the past year. This would indicate there certainly are areas where we have financial aid available and there are no applicants available. Year after year, Dr. Watkins said, we have seen increases in the BEOG and ISSU grants - which he applauds. The only area in which we seem to be immobilized is in the area where they would like to attract someone of great ability, and that student is just on the other side of eligibility and there is nothing we can do for him. The institutions do get some private funds through foundations for ability grants. This proposed amendment, however, would be of some help in trying to attract these students who may not have the basis of need for a BEOG or other area of assistance. President Watkins said he would say to Dr. Martin that his information indicates that at ISU there are work-study positions unfilled because students did not apply for them.

Dr. Martin said we know that there are probably a lot of people less willing to work than we would like, but he is not sure that should be taken as an indication that the need is fully met; and the idea that we offer money to people who cannot express some financial need in order to get them to our institutions, and bid for them between colleges and universities, troubles him about where our priorities lie with public funds. Dr. Martin said he believes we can assume that these people would be going to college someplace, maybe they would be lured by a no-need award someplace else, but certainly there is a lot of money going into no-need awards across the country in different types of institutions; and he finds this unconscionable.

There is certainly no increase in no-need awards at our universities, Dr. Watkins said. One of the things that troubles a number of people, he said, is that we see a very bright young person who gets an award because that person is a good athlete; but on the other hand, a bright young person who gets no award at all because he may be good at sculpting or painting.

Dr. Martin said he just can't understand the assertion that financial need has been dealt with when we all know what the statistics are and the connection between class background and attendance in higher education.

Ms. Boyer from Illinois State said as a matter of fact she does not think the request for the change was intended to imply that we have solved the problem in terms of financial aid sources. The total amount of money involved in this kind of thing would not necessarily be great, but it would, frankly, provide some flexibility. As Mrs. Suggs suggested, it does not necessarily add to the help that is available to the student who is in financial need. But it may be used to attract some students to provide different kinds of things for the university which we are not always in a position to do, to round out the whole population of students at the university and, frankly, to address a group of students we have in the United States, the group in the middle income bracket who do not fall on one side or the other, a group we are all concerned about but have not yet found a way to help. Their problems are not any less than others, Ms. Boyer said. The amended regulation will, essentially, provide for some flexibility for the university to put together a student body population that represents all sectors. To talk about one person who may have some talent in art, in music, or in athletics, is perhaps also misleading. Because the other kinds of students they hope to attract are those who have exceptional abilities in the purely academic areas - English, Psychology, any one of a number of fields. Ms. Boyer said her opinion is that this would be very worthwhile, and they would not be totally ignoring the financially needy student in this.

Relative to the number of work-study positions that may not be filled because the job market pays more than most of these jobs, Mrs. Suggs commented that stockboys in her area make better than \$4.00 per hour, and carhops and carwashers also pay well. Mrs. Suggs said she does not believe that we can be the answer to all of the financial problems. Often young men can get summer jobs in industry that pay as much as \$12 to \$15 per hour. These are potential scholarship needy students and they are figuring out ways. She has a great deal of concern, she said, about giving everybody a free ride when there is not some sort of work responsibility attached to it. They then appreciate it more and get more out of their education when they also put in some effort.

The question before the Board was called for a vote, and the motion carried with Dr. Martin voting No.

Section VI - Tuition for 1978-1979

To formalize what has been discussed at previous meetings, Dr. Matsler said, Staff is recommending the following tuition rates be continued for 1978-79:

	<u>Semester</u>	<u>Summer</u>
Tuition Rates for Full-Time On-Campus Undergraduate and Graduate Students		

Residents of Illinois	\$250	\$125
Non-residents of Illinois	750	375

Tuition Rates Per Semester Hour for Part-Time On-Campus Undergraduate and Graduate Students

Residents of Illinois	21	21
Non-residents of Illinois	63	63

Tuition Rates Per Credit Hour for Students in Off-Campus Courses	21	21
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Dr. Martin moved for approval of the Staff recommendation. The motion was seconded by Ms. Theobald.

Mr. Shuman noted that at the March meeting he made a statement as to why he thought it a mistake not to increase tuition this year, and it was his intention to vote against the motion, but first he would read a brief statement:

I think we would all like to think that the Regency Universities were dedicated to pursuit of excellence in staff, faculty, students and graduates, but the present system seems to me to premiumize the development of fair to mediocre performance through inadequate differential salaries for superior performance and other ways; and we are caught up in the pursuit of the deadly average, constantly measuring ourselves by national averages on salaries, class size, number of books in the library, faculty workloads, percent of minorities and women, percent of tenure, proportion of doctors to degrees, financial support of the legislature, tuition levels, etc., etc.. The Illinois system of financing higher education penalizes any university or system that would dare strive for excellence. The Board of Higher Education, the Legislature, the Governor all try to divide the funds on an equitable basis. But tuition is controlled by the Legislature as tuition receipts must be reappropriated. Thus, any university or system which dared to increase tuition in order to pay better salaries to superior faculty would probably be cut back on general revenue funds. So, I think the Governor is right when he advocated taking control of the tuition increase out of the State Legislature. I think the Board of Regents should have authority to set tuition without the threat of having general revenue funds cut. The present system is a political leveling process that will result in a mediocre public university system. No matter how pressing the need, tuition can only be increased in the alternate non-election years. In my opinion the Board of Regents cannot build these three universities into superior educational institutions until

we have more freedom to adjust their budgets. I favor a tuition increase so as to increase the salaries of superior faculty and staff, and to widen the margin between those who produce and those who do not. But I won't make any motion and I won't pursue it, but I will vote against the motion, because it would be fruitless as long as the Legislature is not willing to let us use our tuition money without having it leveled down by reappropriation. Thank you for the opportunity to make this statement.

Ms. Theobald said she has some thoughts on the issue of tuition which she has been formulating for quite some time. She would be the first student to admit that she does not want to pay more money for tuition and neither does anyone else, however, she does think that we must be realistic. She does agree with some of the things stated by Mr. Shuman. The size of classes is in direct relation to there not being enough money. There are classes with 40 students when there should be only 25. She is well aware of the realities of this being an election year and the possibilities of getting a tuition increase through the Legislature. However, she did not want to see the situation that happened last year when there was a \$90 jump in one year, because that is much more difficult for students to absorb, as well as their families. There should be smaller jumps, say, in terms of \$20 or \$30. She would like to see some sort of systematic approach to controlling tuition in relation to the costs of running the university, a good university. Being cost efficient is one thing, Ms. Theobald said, but being downright cheap is another. She feels that she is getting a good education, but it could be better. She would like to see some sort of systematic approach to this, and not have the same situation that occurred last year, because this is not fair.

Mr. Murray said this might be blasphemous, and it is really too late to do anything this year, but he believes that next year the Board of Regents should consider this matter earlier in the year, and irrespective of what other systems do, we should assert our independence and do what we think is right. If the Legislature doesn't appropriate it back to us, then that is a problem the Board will face, but by the same token, the Legislature might appropriate it back if we have the courage to grab the bull by the horns.

Dr. Matsler said what he would like to do is propose this Fall an increase in tuition, with a Board policy developed that it would be an automatic increase related to the cost of living for that particular year. It might be a little too early to propose this to the Board today, he added. If other systems were to agree to some proposal like this, it may be the way out - simply tie the tuition rate to the cost of living from here on. We might not make some people happy, but on the other hand, some may want to set it much higher. But a policy such as this, automatically done, acted upon in the Fall, might well be a way to keep tuition fairly low and yet keep pace with inflation.

Mr. Murray said just so he was not misunderstood, he is not willing to tie tuition to the cost of living, he wants the Board to use its independent judgment, and we are not free to do that now.

Ms. Theobald asked how realistic is the goal of 1980 for reaching the BHE's proposed one-third of instructional costs. Dr. Matsler said he believes that the Board of Higher Education will probably make a recommendation in accordance with its previous policy. We then will have to make a decision if it is too big a jump and maybe pare it down. On the other hand, if we did agree to tie it to some percent based on some rationale, and do it rather automatically, that might be an answer.

President Watkins said in terms of assuring open access to education, there is probably nothing more effective in many ways than low tuition.

Mr. Resnik said he would beg of the Board in the future when considering tuition that they not only consider the cost of education to the institutions, but also to the students. They have to live on campus and they have to provide for laundry and everything else, and this has to be taken into account.

The question before the Board was called for a vote, and the motion carried with Mr. Shuman casting a No vote.

Dr. Martin said he could not let Dr. Watkins' statement go unchallenged, because he believes that he is dead wrong for the simple reason that money that is put into improving the access of students to higher education on the basis of need is targeted on the people who need it. Money that is put into the provision of access on the basis of low tuition for everyone is put into the hands of lots of people who do not need it.

Section VII - Central Staff Evaluation of Staffing Plans

Dr. Matsler noted that the Regents had received the complete Staffing Plans from the institutions, and Staff has tried to summarize them as an action item with the following recommendation: that the Board accept the Illinois State University, Northern Illinois University and Sangamon State University Staffing Plans as general planning documents to assist in university management.

He said he would not spend a great deal of time on the Staff report, but would point out the percent of tenured faculty that we now have. At ISU in the year 1973-74 the percent was 52%; at NIU it was 65%; and at Sangamon it was 5%. Notice, he said, the trend as we move across the chart toward 1978-79. The percent is not rising very fast, and as a matter of fact it is quite stable at Northern. We would expect it to rise quite fast at Sangamon State. But our universities are in good shape, he said, as far as being tenured in is concerned. There are departments in some of the institutions that are tenured in, particularly at Northern, and this is a problem. But by projecting for a five year period, looking at the ages of the faculty members, when we expect them to retire, it can be seen how Dr. Brim has distributed the departments and how many of them are at the 60 or 69% mark. We do have a handle on what we have and, generally speaking, our statistics look pretty good.

Tied in to this report, he continued, is the report sent by each institution to the Board members relative to the evaluation of tenured faculty. If agreeable with the Chairman, Dr. Matsler said, he would suggest that the Presidents might speak to this particular matter.

Mr. Murray asked Dr. Keiser if he cared to respond to Staff criticisms of Sangamon State in the report.

Dr. Keiser said what they have done, together with Staff, for the past couple of years is some reallocation of positions. There are not a very large number of new positions. Those positions have been reallocated to clinical positions for the most part to add to relatively difficult to obtain special positions in Business Administration and other areas. They find it virtually impossible to recruit for people on temporary lines for these positions. Basically, it is as simple as that. You cannot recruit nurses on a temporary line even if you were to offer them a car, a wardrobe and everything else. This will be a continued difficulty, Dr. Keiser said. Sangamon does have a policy of trying to replace lines and vacancies in the other areas on temporary appointments, but it would be noticed because of reallocation and the fact that they opened with Humanities and the more traditional programs, that they are relatively high in their tenure proportions. The basic problems in a number of temporary lines are the ones that have been open for two or three years, and because there is a fine seller's market, they will simply continue to have difficulty.

Mr. Murray said he must compliment the institutions and the Staff. These reports have been required since the Tenure Committee report was presented in 1973, and he thinks that they are well done and keep getting better each year. He would assume that they are of even greater value to the universities.

Mr. Shuman noted that the Board had received separate reports on the evaluation of tenured faculty from ISU and NIU, and Sangamon's had been included in the President's Report. He wonders, he said, if this is deemed to be a response to the action of this Board which requested periodic review of tenured faculty. Is that what these reports are supposed to be, he asked? If it is an attempt to comply with the Board action, Mr. Shuman said, he thinks it is inadequate. He does not know that we need this kind of review each year, and it seems to him that all this was was a review or justification for salary increases. The intent of the Board action, he said, was to ask the universities to develop procedures for the review of tenured faculty on a periodic basis - the Board did not specify 5 or 10 years - but the intent was that it would be a rigorous review as to whether or not there was justification for continuation, with a report back to the Board. Mr. Shuman said he would like to see a description of the process the universities have in mind. Sangamon already has a process developed, he said, and it is described somewhat in the report. Mr. Shuman said he does not believe that these reports are a satisfactory answer to the Board's action.

Mr. Murray said he had assumed that these reviews were just for merit increases.

Essentially, Dr. Monat said, that is correct. He thinks, however, that one has to recognize that although this is essentially what these are, they are very rigorous reviews - just ask the people in the departments who do it. It takes a good deal of time, and they would like to have it eliminated. It does open up broad issues, and he does think that it is a rigorous review. Dr. Monat said he was not aware, and he would apologize if he misunderstood, that they were asked to prepare reports with respect to the continuation of tenured faculty.

Mr. Shuman said the Board's action did not so specifically state, but it did say that there would be a periodic review of the performance of tenured faculty. In his opinion, he said, or at least he hoped, the intent was that there would be a little bit more than a pro forma yearly review.

President Watkins said the point he and Dr. Monat would make is that they have given to the Board a deliberately brief synopsis of a very complex and very difficult evaluative process. They could go into substantial detail and publicly produce a much lengthier document, but the point he would make is this: that on an annual basis they do a very serious review of every tenured faculty member, and it is true that they do relate this to salary adjustments because, in a way, this is what it should all be about. People who do well should be rewarded more substantially than those who do not do well. Dr. Watkins said he would second a remark made by Dr. Monat, that these are not pro forma annual "rites"- they are very serious reviews of each individual and the contributions that individual has made to the institution. Presumably, he said, if it were ever felt at any institution that an individual's contribution was such that the individual was incompetent, a different kind of action would be taken than simply categorizing them into some merit category. But this is a difficult thing, and it does address itself to those points. But if this is not what the Board wishes, they would certainly try to do something else.

Mr. Shuman said he would like to have a definition of the phrase, "insufficient merit". What does it mean? Does it mean that a person can be improved, or does it mean that the person can do better?

Dr. Watkins said in their view it means that the individual has not performed well enough in that year to merit any salary increase.

And at ISU there are only 9 out of 528 in this category, Mr. Shuman asked? That is correct, the President stated. Then his opinion would be that this is not a rigorous review, Mr. Shuman observed. At Northern they are rated from 1 to 10, Mr. Shuman said, and he wonders what would be the meaning of a low rating. It would essentially result in the same kind of action, Dr. Monat said, with respect to a salary adjustment. Ten is high, and zero obviously low. These are ratings that have been established by the various colleges, although each college pursues this effort somewhat differently; but the general policies and procedures are reviewed by the University Personnel Committee. Those who rate high - perhaps with a 9 or 10 - will receive a greater merit increase than those who are in the lower end of the scale.

Mr. Shuman said although he had no further points to make at this time, he is still not convinced that we have compliance with the Board action. Maybe we will have to define this further, he suggested.

What is Mr. Shuman's recollection of what the Board requested, Mr. Murray asked.

Mr. Shuman said he believes that the Board requested a periodic review of tenured faculty, although he does not recall the exact wording. Mr. Murray

said he does not recall that the Board asked for that specifically, but it may have asked for some suggestions from the universities on the procedures. Mr. Shuman said the Board asked for each university to develop a procedure for a periodic tenure review. Mr. Murray asked when this was done, and Dr. Martin said he believes that it was in May or June of last year. Mr. Murray asked Dr. Matsler and the Staff to take this under review.

Dr. Matsler said he would do this, but he might also ask for a clarification because he thinks possibly everyone left that particular meeting with some misunderstanding of what the intent of the Board was. If one looks at the last page of Northern's evaluation, it could be seen that there were some rankings in the various colleges, so there has been a review of tenured faculty. This is some evidence that it has been done. How much detail does the Board want, he inquired, or need? Perhaps what the Board wants is the procedure used by the various colleges. The procedures and criteria, Mr. Shuman said, is what he wants to see, and he thinks that is what the Board asked for. Dr. Matsler said he believes that what the Board asked for was a review of tenured faculty in five or ten years, wherein a tenured professor would be rehired or found inadequate. The Board backed away from that, Mr. Shuman recalled, but it did ask for a report on the procedures and the criteria for the review of tenured faculty. However, he said, we can go back and check on this.

Dr. Matsler noted that Northern's report does list the general criteria which were used, although it may be that the Board would want some more detail on this. Mr. Murray suggested that the minutes of the meeting when this was acted upon be reviewed, and the matter could be brought up at the next meeting of the Board.

Dr. Mustari of the Joint University Advisory Committee referred to the Board's attention the Regulations which were based on the minutes of that meeting (Tenure, adopted April 21, 1977): "The universities shall, at regular intervals, review and evaluate the performance of tenured faculty in order to offer constructive guidance and to encourage a continuing high level of faculty accomplishment. Each university shall establish the policies, procedures and criteria needed to accomplish such periodic evaluations, and a report of the results of such evaluations shall be made to the Board of Regents."

Dr. Monat said that is what they thought they were doing when they submitted the report. But if the Board wants them to do something else, they will be pleased to do it.

Mr. Murray said his recollection of the discussion was that the sense of the Board was that in the merit pay evaluations the universities were not doing the intensive kind of review that the Board wanted. But, he said, he thought the Board left it somewhat flexible. Dr. Monat said his position, and he believes that Dr. Watkins agrees, is that these annual evaluations are very rigorous, and they are not casually or cavalierly done. They are really in-depth evaluations. Mr. Murray said if that is what they have done, and are telling the Board this, then the reports would be accepted.

Dr. Watkins said if the Board would care to see all of the backup types of things they have, this could be made available, although they assumed the Board would not want to see all of this because it is probably more than they would care to go through.

Dr. Matsler said the minutes of that particular meeting reflect that the discussion of this did go on and on. He thinks what we can do is attempt to get a format that is more uniform and better understood, and present this next year with the criteria laid out so that the reports are alike to a certain extent. Mr. Murray said he recalls that is the reason the Regulation was left quite vague - because we did not think the universities necessarily agreed on the procedures. His recollection is that even the Board did not agree on this, so that it compromised on the language.

The universities are different, Dr. Monat pointed out, and they proceed through different processes. He thinks it would inhibit the kind of rigorous review they now do if they were required to do them uniformly.

Mrs. Suggs moved for approval of the Staff recommendation regarding the Staffing Plans. The motion was seconded by Dr. Martin, and it carried unanimously.

Section VIII - New Programs

Dr. Matsler noted that the Board had been provided with the complete proposals for the new programs being requested. Staff has analyzed both and recommends approval of the programs to be initiated in the Fall of 1978.

1. Emphasis in Dance Performance within the Bachelor's Degree Major in Theater - Northern Illinois University
2. Sequence in Human Services Education within the Masters Degree Major in Counselor Education - Illinois State University

Dr. Martin moved for approval of the Staff recommendations. The motion was seconded by Ms. Theobald, and it carried unanimously.

Section IX - Administrative Structure Changes

Dr. Matsler advised that Northern Illinois University is requesting approval to establish a Department of Business Systems and Analysis and a Northern Illinois Regional History Center. Both proposals have been analyzed by the Staff, and Staff recommends that both be approved, to be implemented in the next academic year.

Dr. Martin moved for approval of the Staff recommendation. The motion was seconded by Ms. Theobald.

Dr. Martin, referring to the request for establishment of a Department of Business Systems and Analysis, asked what the rationale for this is. Dr. Monat

said that just a year and a half ago they went through the process of accreditation with AACSB, and as part of that process the accrediting team felt that the university really should bring together in a coherent manner the quantitative areas in the business curriculum. This request is an attempt to respond to that suggestion, he said, and it makes good sense.

The question before the Board was called, and the motion carried unanimously.

Section X - Report of Legal Counsel

1. Amendment to Operating Engineers Union Contracts at Illinois State and Northern Illinois Universities

To accommodate the Board's desire that everything having to do with labor contracts be brought before it, Mr. Winning reported that this item involves a situation where the contracting unions have been merged into a larger local, and this is merely a substitution of that larger local as the contracting party. He recommended that the Board authorize the proposed amendments to the contracts.

Mr. Resnik moved for approval of the recommendation of Legal Counsel. The motion was seconded by Ms. Burns, and it carried unanimously.

2. Hart vs. State University Civil Service Merit Board

Mr. Winning reported that the Circuit Court, on motion by the individual defendants sought to be added as parties by the plaintiff, has dismissed the individual defendants as parties to the proceeding.

3. Ranyard vs. Board of Regents

Mr. Winning reported that the plaintiff in this case has caused the appeal to be dismissed on his own motion.

4. Grant of Easement to DeKalb Sanitary District

Last December, Mr. Winning advised, the Board adopted a resolution authorizing an easement to the DeKalb Sanitary District to construct a sanitary sewer through the NIU campus along the Kishwaukee River. The initial easement was described and designed so that it was in the watershed of the river. The judgment of the engineers is now that it would be better to move it farther to the west so that it would not be involved in being flooded, so they have asked the Board to authorize a new easement, and upon adoption of the new resolution, they will give a release of the easement they now have. Mr. Winning recommended adoption of the following resolution:

WHEREAS, the DeKalb Sanitary District has requested a permanent easement over, upon, along and through certain real property owned by the Board of Regents on the Northern Illinois University campus for a sanitary sewer, said permanent easement being described as follows:

A strip of land, twenty (20) feet in width, located in the Northeast Quarter of Section 22, the Southeast Quarter of Section 15, Township 40 North, Range 4 East of the Third Principal Meridian, DeKalb County, Illinois, being ten (10) feet on each side of a centerline described as follows:

Beginning at the northwest corner of Lot 9, in Block 5 of Normal Park Addition to the City of DeKalb, Illinois; thence N. $10^{\circ}56'38''$ E., 87.29 feet; thence N. $67^{\circ}14'28''$ E., 134.39 feet; thence N. $07^{\circ}45'20''$ W., 364.15 feet; thence N. $11^{\circ}23'02''$ W., 101.00 feet; thence N. $55^{\circ}23'28''$ E., 190.28 feet; thence N. $12^{\circ}10'09''$ E., 164.24 feet; thence N. $54^{\circ}21'15''$ E., 36.80 feet; thence N. $33^{\circ}51'56''$ E., 164.59 feet; thence N. $41^{\circ}53'27''$ E., 76.94 feet; thence N. $30^{\circ}57'17''$ E., 330.61 feet; thence N. $51^{\circ}56'55''$ E., 79.70 feet; thence N. $00^{\circ}03'33''$ W., 370.02 feet; thence N. $27^{\circ}31'48''$ W., 251.51 feet; thence N. $11^{\circ}20'30''$ W., 127.24 feet; thence N. $19^{\circ}51'49''$ W., 125.87 feet; thence N. $00^{\circ}59'43''$ E., 149.21 feet; thence N. $21^{\circ}22'44''$ E., 150.10 feet; thence N. $35^{\circ}54'45''$ E., 130.50 feet; thence N. $55^{\circ}26'23''$ E., 202.13 feet; thence N. $81^{\circ}43'07''$ E., to a point on the east line of said Section 15.

WHEREAS, the DeKalb Sanitary District has also requested a temporary easement over, upon, along and through certain real property owned by the Board of Regents on the Northern Illinois University campus for construction of said sanitary sewer, said temporary easement for construction purposes being described as follows:

Two strips of land hereinafter referred to as Strip "A" and Strip "B", each of varying widths, located in the Northeast Quarter of Section 22, and the Southeast Quarter of Section 15, Township 40 North, Range 4 East of the Third Principal Meridian, DeKalb County, Illinois; initially each strip is forty (40) feet in width and each begins ten (10) feet from a centerline and extends to fifty (50) feet on each side of said centerline described as follows:

Beginning at the northwest corner of Lot 9, in Block 5 of Normal Park Addition to the City of DeKalb, Illinois; thence N. $10^{\circ}56'38''$ E., 87.29 feet; thence N. $67^{\circ}14'28''$ E., 134.39 feet; thence N. $07^{\circ}45'20''$ W., 364.15 feet; thence N. $11^{\circ}23'02''$ W., 101.00 feet; thence N. $55^{\circ}23'28''$ E., 190.28 feet; thence N. $12^{\circ}10'09''$ E., 164.24 feet; thence N. $54^{\circ}21'15''$ E., 36.80 feet; thence N. $33^{\circ}51'56''$ E., 164.59 feet; thence N. $41^{\circ}53'27''$ E., 76.94 feet; thence N. $30^{\circ}57'17''$ E., 330.61 feet; thence N. $51^{\circ}56'55''$ E., 79.70 feet; thence N. $00^{\circ}03'33''$ W., 370.02 feet, to a point.

At said point, the width of each strip changes so that Strip "A" is sixty (60) feet in width and begins ten (10) feet westerly from a continuation of the above centerline and extends seventy (70) feet westerly from the continuation of said centerline, and Strip "B" is twenty (20) feet in width and begins ten (10) feet easterly from a continuation of the above centerline and extends thirty (30) feet easterly from the continuation of said center-

line; centerline description continues as follows: thence N. $27^{\circ} 31' 48''$ W., 251.51 feet; thence N. $11^{\circ} 20' 30''$ W., 127.24 feet; thence N. $19^{\circ} 51' 49''$ W., 125.87 feet; thence N. $00^{\circ} 59' 43''$ E., 149.21 feet; thence N. $21^{\circ} 22' 44''$ E., 150.10 feet; thence N. $35^{\circ} 54' 45''$ E., 130.50 feet; thence N. $55^{\circ} 26' 23''$ E., 202.13 feet, to a point.

At said point, Strip "B" ends and from this point forward Strip "A" is eighty (80) feet in width and begins ten (10) feet northerly from a continuation of the above centerline and extends to ninety (90) feet northerly from the continuation of said described centerline; centerline description continues as follows: thence N. $81^{\circ} 41' 07''$ E., to a point on the east line of said Section 15.

NOW, THEREFORE, BE IT RESOLVED THAT:

The Board of Regents hereby authorizes and directs its Chairman and Secretary, for and on behalf of said Board, to execute a Grant of Easement conveying to the DeKalb Sanitary District for a sanitary sewer the foregoing permanent easement and the foregoing temporary construction easement over, upon, along, and through the above-described real property.

Mr. Shuman moved for adoption of the Resolution as recommended. The motion was seconded by Ms. Burns, and it carried unanimously.

5. BRH Builders, Inc., vs. Raymur Schools Corporation

Mr. Winning said that, as discussed with the Board earlier in executive session, he recommends that the Board authorize the judicially supervised stipulated settlement of this case in the amount of \$20,000.

Mr. Resnik moved for approval of the recommendation of Legal Counsel. The motion was seconded by Ms. Theobald, and it carried unanimously.

Dr. Matsler requested authorization from the Board to hire Dr. W. Robert Bokelman as Deputy Director for Business Affairs, effective September 1, 1978, at an annual salary of \$38,160.

Mr. Shuman moved for approval of the request to hire Dr. Bokelman. The motion was seconded by Mr. Resnik, and it carried unanimously.

Mr. Shuman asked what progress is being made on the requested study of the costs and effectiveness of the university publications and the University Press. Dr. Matsler advised that Mr. Freeman has been working with the institutions on this matter, and it is planned to present the matter to the Board at the June meeting.

RECURRING INSTITUTIONAL MATTERS

Illinois State University - President's Report

Before presenting his Report to the Board, President Watkins introduced the new chairperson of the ISU Academic Senate, Dr. Janet Cook. He advised that Dr. Charles Hicklin will be the new Secretary. He informed the Board that the new officers of the Student Association are Michael Donahue as President, and Paul Eber, Vice President. The new student Regent-elect, Ms. Heidi Voorhees, was introduced by the President.

Dr. Watkins submitted information reports on:

Students

Grants and Contracts (Research, Training, Service)

University Constitutional Amendment (1st reading)

Bond Redemptions

The following items were submitted for action by the Board:

1. Personnel transactions for faculty and administrative staff and for civil service employees, including recommendations for promotion and tenure. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report.
3. Capital Improvement Projects

Project Approval

(a) Hamilton-Whitten Eleventh Floor Remodeling

Permission was requested to rebid this project and to increase the architect's fee by \$2400 to cover the cost of redesign work. The rebid of the project will include new roofing and roof insulation with an alternate for exterior recreational deck with accesses and screening.

Ms. Theobald moved for approval of the President's Report for Illinois State University. The motion was seconded by Mr. Resnik.

Mr. Shuman asked if the motion for approval included approval of the recommendations for award of tenure. The Chairman advised that it did include them unless there were a division of the question. Mr. Shuman then requested a division in all three reports so that the tenure recommendations could be voted upon separately. Mr. Murray advised that Legal Counsel is of the opinion that a motion for division needs no action, and therefore the Reports will be so divided.

The Chair called for discussion on the main part of the ISU President's Report.

Mr. Murray said he was disappointed to see that there is only one asphalt company in the Bloomington area - noting the single bid for work on the bicycle lanes and sidewalk repair. However, he said, this seems to be typical all over the State.

The question before the Board for approval of the President's Report with the exception of the recommendations for tenure was called, and the motion carried unanimously.

Ms. Welander moved for approval of the recommendations for tenure as contained in the President's Report. The motion was seconded by Mr. Resnik.

Mr. Shuman said he intended to cast a No vote on principle, particularly on the recommendation for early tenure because he believes this is a distortion of Board policy. He would like, he said, for the Central Staff at some time in the future to bring to the Board an analysis and report on the possibilities of changing our Policy on giving credit for previous university service. He does not think this is quite right, to consider previous university service which is involved in this early tenure case, and certainly not at full value. He would think that it would be generous to give half credit for service at other universities. Mr. Shuman said he would also like to see an analysis of the effect of lengthening the probation period by perhaps one year. The Board must start to look at some other things, he said. Mr. Shuman said he does not believe that early tenure is justified, and on principle, he feels constrained to vote against tenure because he does not believe that it is doing what it should in the area of academic freedom. Tenure is not a necessary protection today, he added, however, that is just his own opinion.

Dr. Matsler asked if it would be satisfactory for Staff to bring in something on this in the Fall. Mr. Shuman said all he wants is some information, the pros and cons, on the matter of credit for previous university experience in the award of tenure, and also on the question of lengthening the probation period.

Mr. Murray commented that it came to his attention for the first time during the Board's self-study that it is difficult for teachers who have transferred from other universities to handle their new teaching responsibilities and fulfill their qualifications for tenure in the rather short time they have, which is essentially two years in the new institution. He would be interested, he said, to see if there is a hardship factor for either the university or the faculty members. Perhaps, he suggested, JUAC might want to review this, perhaps the tenure committees, because if this is true, it may be that we should remedy this in some fashion. He said this is not pertinent to today's discussion, but he believes it is a matter that should be reviewed.

Dr. Martin said he thought the Board should take cognizance of the fact that two major administrators are included in the recommendations for tenure at ISU. Because of the distinction of both, he said, the recommendations are quite justified, but it seems to him that we must always take a special look in such cases.

The question before the Board was called for a vote, and the motion carried, with Mr. Shuman voting No.

Sangamon State University - President's Report

Before presenting his Report to the Board, President Keiser introduced

Ms. Jean Rosales, the Regent-elect from Sangamon State University

President Keiser submitted information reports on:

Active Applications for Semester I, 1978-79
Issues of Undergraduate Academic Programming
Grants and Contracts
Capital Improvement Projects

The following items were presented for Board action:

1. Authority was requested to transfer \$10,000 from Telecommunications to Contractual Services in the General Revenue Fund.
2. Approval was requested for a deferred tuition payment plan, and for waiver of the Board Regulation which requires 8 months' notice for implementation of fees associated with the plan, including the \$5.00 deferred tuition service charge and the \$2.00 penalty for late payment.
3. The following Resolution was presented for adoption which would authorize the university to submit an expanded application to the Department of Housing and Urban Development for assistance in funding the proposed on-campus student housing project:

BE IT RESOLVED that the Board of Regents, a body corporate and politic, acting for Sangamon State University, authorizes the University to prepare all application materials necessary to seek a loan agreement under the College Housing Loan Program in an amount not to exceed \$2,065,000 from the Federal Department of Housing and Urban Development for an 80-unit student housing apartment project to be constructed on the Sangamon State University campus.

4. Personnel transactions for faculty and administrative staff and for civil service employees, including recommendations for promotion and tenure. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
5. A list of purchases for the month, as appended to the President's Report.
6. Capital Improvement Projects

Contract Approval

- (a) Contract with Hormaz Vania, Mechanical Consultant
Permission was requested to increase the FY78 contract with Homer Vania, Mechanical Consultant, for professional services by the amount of \$1000, the revised total not to exceed \$4000. Payable from FY78 Contractual Services Funds - Assistant Vice President for Physical Planning and Operations - Account 01340-1200.

Commenting on his Report, Dr. Keiser informed the Board that construction has been resumed on the Public Affairs Center, and he has been advised that the project is ahead of schedule and will make the projected completion date of Fall 1980.

Ms. Welander moved for approval of the Report of the President of Sangamon State University, with the exception of the recommendations for tenure. The motion was seconded by Mr. Resnik, and it carried unanimously.

Dr. Keiser commented, as he had indicated in executive session earlier the one thing which was not included in his Report was the tenure district in each of the recommendations. He distributed copies of a listing of the area in which tenure is being recommended in each case. He added that with the approval of this year's awards of tenure, Humanities will have 52% of its faculty tenured; Natural Science, 45%; Professional Studies, 33%; and Social Science, 38%. This year there were 30 persons eligible for tenure at the beginning of the year; in previous below-university-level considerations, 8 persons decided not to stand for tenure at the university level; 4 were denied; and 18 are being recommended.

Dr. Martin said he thinks the manner in which the material on persons recommended for tenure at Sangamon State is a model, because it describes the quality and content of the professional work of each individual. Mr. Shuman agreed with Dr. Martin's comments.

Ms. Welander moved for approval of the recommendations for tenure as contained in the President's Report for Sangamon State University. The motion was seconded by Mr. Resnik, and it carried unanimously.

Northern Illinois University - President's Report

Before presenting his Report, President Monat introduced the student Regent-elect, Mr. Terry Jordan; and the new President of the Student Association, Mr. Jim Jasinski.

The President distributed copies of an addendum relative to the request for Transfer of Funds (page 11). He asked that on page 48, item 5, a correction be made to show the correct amount of \$25,438. On page 50, he asked that item E. be changed to an action item. An addendum relating to bids received on item 4, page 53, was distributed.

Information reports were submitted on:

- Students
- Status of Undergraduate Admissions for Fall 1978
- Grants and Contracts (Research, Institutes, and Studies)
- Gifts to Northern Illinois University
- Gifts to Northern Illinois University Foundation
- Use of Series 1960 - Repair and Replacement Reserve

The following items were presented for action by the Board:

1. Personnel transactions for faculty and other employees, including recommendations for promotion and tenure. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. Permission was requested to make partial refunds of tuition and fees to students who were forced to withdraw from school for medical reasons: Michael Martin, \$264.60; Ann Cohn, \$264.60; Rena Ursic, \$126.70; and Dennis Yauch, \$49.64.
3. Renewal of authorization granted to the Office of International and Special Programs for FY78 to disburse up to \$750,000 during FY79 in connection with its foreign study programs without obtaining specific advance authorization for each disbursement which exceeds \$10,000.
4. Permission was requested to request the following amounts be transferred under the 2% Flexibility Statute:

Income Fund

Transfer from Contractual Services	\$60,000
Transfer to Refunds	60,000

General Revenue

Transfer from Contractual Services	\$40,000
Transfer to Commodities	25,000
Transfer to Telecommunications	15,000
Transfer from Automotive	\$20,000
Transfer to Travel	20,000

5. Permission was requested to assess the following fees for student insurance and emergency room service for FY79:

Student Health Insurance

Fall & Spring Semesters (ea.) \$16.00
 Summer coverage (12 wks) 9.60
 The fee will be prorated
 between summer session
 & intersession.

Emergency Room Service

Fall & Spring Sem. (ea.) \$3.50
 Summer Session (8 wks) 1.75
 Intersession (3 wks.) .50

6. Capital Improvement Projects - Contract Approval - Multiple Bid

(a) West Heating Plant - Replacement of Window Wall

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Jim Ward Construction Company, Inc., DeKalb, in the amount of \$15,746, and that the project budget be established as follows:

Construction	\$15,746.00
Contingencies	804.00
Total Project	<u>\$16,550.00</u>

(b) Grant North - "C" Tower - Rehabilitation of Shower Rooms

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Venice Terrazzo & Tile Company, Rockford, in the amount of \$17,860, and that the project budget be established as follows:

Construction	\$17,860.00
Contingencies	<u>890.00</u>
Total Project	\$18,750.00

(c) Gilbert Hall - Replacement of Baseboard in Student Rooms

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Delano Paint & Floor Covering, DeKalb, in the amount of \$5,186.28, and that the project budget be established as follows:

Construction	\$5,186.28
Contingencies	<u>263.72</u>
Total Project	\$5,450.00

(d) Stevens Building - Replacement of Metal Panel

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Jones & Brown Co., Addison, in the amount of \$13,300.00, and that the project budget be established as follows:

Construction	\$13,300.00
Contingencies	<u>1,000.00</u>
Total Project	\$14,300.00

7. Purchases for the month, as appended to the President's Report.

Ms. Burns directed attention to item A.1 on page 47 of the Purchases, a single bid for Student Health Insurance in the amount of a little over half a million dollars. At the last meeting, she recalled, the Board was also presented with a single bid amounting to about the same. She is concerned, she said, that the Board might be setting a precedent here and not being completely fair in not getting competitive bids on items of this size. She said she recognizes that a bid for health insurance is a slightly different situation than a bid for regular contractual work, but the principle remains that out of 21 vendors, 19 or 20 did not respond. She finds it extremely hard to believe that out of 21 vendors we could only solicit one accurate bid. She has one other question which concerns the full time claims representative. She asked Dr. Monat if it has been deemed necessary that we need someone full time on campus to handle claims. Dr. Monat asked Dr. Canon to respond to the question.

Dr. Canon said the university did actively solicit 21 firms to bid on the health insurance. Most firms in the private sector are not interested in this, and Blue Cross was the only other firm to submit a bid, but it did not meet specifications with regard to the claims representative. As to the question regarding

the claims representative being on campus full time, Dr. Canon said this was a crucial factor in that it was a strong recommendation from the Dunes Group who thought it very important to separate this from the insurance office itself. This was reviewed with the Student Advisory Board, he added. Excluding the claims representative, the two bids received were very close in amounts.

Ms. Burns said she did some checking on other bidding in two other half million bids that were presented last month, and again health insurance might be excepted from this, but she found that there was a variation from \$250,000 to the half million dollar mark - which is double. She said she does not want to pay double for anything that we might get for a much lesser amount, and she would think unless there is more than one bid, we really can't determine that. In that sense, Ms. Burns said, she questions whether the Board should really accept this bid.

Dr. Canon said the increase in cost for health insurance which provides for substantial increases in coverage was significant this year, and they were delighted the bids came in where they did.

Mr. Murray inquired who wrote the specifications for this item.

Dr. Canon said there were multiple specifications drawn up in consultation with the Health Center Advisory Board, the medical staff of the Health Center, the Insurance Office, and his own staff.

Mr. Shuman asked if Illinois Hospital and Health Service, Inc. is a Blue Cross plan. It is, Dr. Canon replied. Mr. Murray asked if they had received any reasons why other companies who were solicited did not respond. Dr. Canon said he personally does not have that information, although the insurance office had some informal contact with some of those firms. It is hard at this juncture to second-guess or understand what went on, Mr. Murray said, but it seems to him that as in any insurance bid the specifications are where the whole action is. When you have vendors who are interested and pick up specifications, and then do not bid, obviously there was something about the specifications that made it not feasible for them to submit bids. Mr. Shuman said the immediate suspicion would be that the specifications were written for the one bidder - although he is not saying that is true in this case - but sometimes that is the way things are done in this world.

Mr. Murray said rather than reject the bid, he would ask if it would seriously inconvenience the institution if the Board held off on this item for a further report. Dr. Canon asked what kind of information the Board wanted. For one thing, Mr. Murray said, Dr. Canon had indicated that the insurance office had some conversations with some of the people who were solicited to bid, and he would assume that the insurance officer is not present at today's meeting. All the Board has before it today is exactly two sentences on a half million dollar contract. He said he senses Ms. Burns is not comfortable with this, nor is he - when you solicit 21 vendors and get only 1 bid. Dr. Canon said their specifications are consistent with other insurance programs around the state. The only significant variances were: one was the request in compliance with the consultant who advised the university on establishing the program to have a claims adjudicator on the

campus; and the other is the package that combines the Kishwaukee emergency room and exempts payments from that area from the insurance contract.

Did any of the prospective bidders respond that those were insurmountable problems, Mr. Murray asked. One Chicago based company indicated that a person on campus one day a week would meet the requirements.

Ms. Burns said she would like to clarify her position on this a little bit. It is not the student health insurance business that she is particularly criticizing. A number of times in the recent past the Board has been faced with single bids for costly projects. That leads her to believe that when we have solicited bids from a number of vendors - whether it be 12 or 21 - and only get one response, the odds are simply against that if the bidding is done properly. She has a question about the procedure. Is it the specifications are not clear? We need to be clear on this so that we have a competitive situation, she said.

Dr. Canon said he believes that we have an anomaly in the health insurance field trying to solicit bids from the private sector which is rarely involved in providing insurance to the university population.

Dr. Monat said this could be deferred until the next meeting if the Board wishes to have more information, and the university will be happy to provide whatever is necessary. How much would this inconvenience the university, Mr. Murray asked. Dr. Canon said it would mean a delay in being able to establish what the fees would be for the Fall semester, that would be the most immediate consequence. Mr. Murray suggested that the item could be approved at today's meeting, subject to the university providing Ms. Burns with the information she requested, and if she approves of it, then the contract would be effective. Dr. Canon said he would be glad to provide copies of the specifications. One other question, Mr. Murray said, how much time did the companies have, was it adequate to prepare bids? They had about 45 days, Dr. Canon responded. What were the responses from the companies who did not submit bids, he asked? Dr. Canon said he would be glad to inquire into this and send the information to Ms. Burns along with the specifications. That would be fine with her, Ms. Burns said - if no one else is interested in this issue. But the next time a single bid comes before the Board, she would again have to question the procedure, because perhaps it is the procedure which the Board should look into.

Mr. Murray said he could appreciate the problems with insurance bids because they are complex as well as some of Northern's problems with other items, but he does think when we have a single bid on a half a million dollar item, the Board should have more of an explanation so as to avoid this kind of a decision on a bid this size. Ms. Burns agreed that if there were more information presented on this particular item today, it would be easier to understand.

Mr. Resnik moved for approval of the Report of the President of Northern Illinois University, as amended, excluding recommendations for tenure, and with the proviso that the award of contract for the Student Health Insurance is contingent upon subsequent approval by Ms. Burns. The motion was seconded by Ms. Welander, and it carried unanimously.

Turning to the recommendations for tenure, Dr. Monat noted that this year there are 29 recommendations. What is not indicated in the report is that there were 12 negative decisions this year. Twenty-two tenured faculty resigned, retired or died during the course of the year, so that if the Board approves the recommendations today, their figure will be 62% tenured rather than the 64% as stated in the Staffing Plan.

Dr. Martin asked if he could get a quick description of what the Department of Headership and Educational Policy Studies involves. Dr. Monat advised that this is one of the departments created as a consequence of the reorganization of the College of Education approved by the Board last year. The Chairman, Dr. Getschmann, is present today and could briefly advise what is in that particular department. Dr. Getschmann said this department is primarily concerned with graduate specialties in education, and it includes Educational Administration and School Business Management, Instructional Technology, Counselor Education, Adult and Continuing Education, Secondary Education, and Foundations of Education. The only undergraduate function is the provisions of the professional components for the secondary teacher education program.

The question before the Board for approval of the recommendations for tenure at Northern Illinois University was called, and the motion carried, with Mr. Shuman voting No.

Mr. Murray said from what he has observed, the universities are very seriously considering their tenure recommendations, and that is a welcome change. The Board had its study of tenure in 1973 or thereabouts, and he knows that conscientious members of the faculty were also concerned about this. He may be wrong, he said, but it appears to him that all of the people who are involved in tenure are becoming concerned with quality, and he would hope this continues. Mr. Murray said he would congratulate everyone concerned for what they have done, realizing that these are not easy decisions to make. Mr. Shuman said as a dissident he would agree with the Chairman's statement. Mr. Murray said he is not wholeheartedly in favor of tenure, but to this point he feels that the strong points continue to outweigh the weak ones.

Mr. Murray said he would welcome the new Regents to the Board for the coming year - Ms. Rosales, Ms. Voorhees and Mr. Jordan - and also the new SA officers.

Dr. Martin commented that he is really so troubled by the Board's decision on the tuition remission policy, that he would like to request a report on the use of the various criteria in the administration of this policy later in the Fall after the decisions have been made for the Fall Semester. He would like to know how many awards are made for the different criteria. The Presidents agreed to mail the information to the Board in the Fall.

There being no further business before the Board, no motion by Mr. Shuman, seconded by Ms. Theobald, the meeting was declared adjourned. The next regularly scheduled meeting of the Board of Regents will be held on June 15, 1978 at Sangamon State University in Springfield, Illinois.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

Minutes of the Meeting of the
BOARD OF REGENTS
Sangamon State University - Springfield, Illinois

June 22, 1978

The regularly scheduled meeting of the Board of Regents convened at 10:45 a.m. on Thursday, June 22, 1978 in Room J-149 at Sangamon State University, Springfield, Illinois. Mr. David E. Murray, Chairman, presided.

The meeting was called to order by the Chairman, roll was called, and the following Regents were present:

Mr. Michael J. Brady	Mr. Charles B. Shuman
Ms. Carol K. Burns	Mrs. Eleanor R. Suggs
Dr. Dan M. Martin	Ms. Kimberly A. Theobald
Mr. D. Brewster Parker	Ms. Jill Welander
Mr. Richard Resnik	Dr. Harry L. Wellbank
Mr. David E. Murray, Chairman	

Mr. James M. Patterson was not present for the meeting.

Also present were:

Dr. Lloyd I. Watkins, President, Illinois State University
 Dr. William R. Monat, Acting President, Northern Illinois University
 Dr. John Keiser, Acting President, Sangamon State University
 Dr. Franklin G. Matsler, Executive Director, Board of Regents

Others in attendance included staff members from the universities and the Central Office; Mr. James M. Winning, Legal Counsel to the Board; members of the Joint University Advisory Committee; and representatives of the news media.

The Chairman directed the attention of the Board to the minutes of the meeting held on May 18, 1978, and he asked if there were any additions or corrections to be proposed. The secretary reported that Dr. Keith Getschmann had asked that on page 44, second paragraph, Secondary Education and Foundations of Education be included in the graduate specialties in the Department of Leadership and Educational Policy Studies.

Mr. Parker moved for approval of the minutes of May 18 as amended. The motion was seconded by Ms. Burns, and it carried unanimously.

CHAIRMAN'S ITEMS

Mr. Murray reported that Mr. Keating, Deputy Director of the Central Staff and Treasurer of the Board, had suffered another heart attack and is in the

hospital in Springfield. He asked Dr. Matsler to report on Mr. Keating's condition. Dr. Matsler advised that Mr. Keating is now out of intensive care and will be going home in about a week's time. He is making a recovery and will probably be able to return to the office soon. Mr. Murray asked Dr. Matsler to convey to Mr. Keating the best wishes of the Board for a speedy recovery.

Mr. Murray reported that one matter before the Board in executive session this morning was the request by Dr. James Scrimgeour of Illinois State University for a review of his tenure decision. Dr. Matsler added that the request for a review by the Board of his tenure case was made by Dr. Scrimgeour by way of a letter dated June 9, 1978. This letter along with supporting materials was presented to the Board, he said, together with materials supplied by President Watkins.

Mr. Shuman said he believes that the procedures for the granting of tenure and the appeal procedures are well spelled out, and a review by the Board indicates that those procedures have been followed. Mr. Shuman then moved that the Board not hear the case, it being an administrative and procedural matter. The motion was seconded by Dr. Martin, and the motion carried unanimously.

The Bylaws of the Board of Regents require that the election of a Secretary, Treasurer and Assistant Secretary-Treasurer take place in June of each year, the Chairman announced, and he called for nominations for the offices.

Ms. Burns moved that Dr. Matsler be elected as Secretary; Mr. Keating as Treasurer; and Mr. Lim as Assistant Secretary-Treasurer. The motion was seconded by Mr. Parker, and it carried unanimously.

Mr. Murray noted that this would be the last meeting of the Board in which the three student Regents would participate as members. He said he is sure that he speaks for the entire Board in expressing appreciation to each of them for the contributions they have made to the deliberations of the Board. Each has provided excellent representation for the universities.

Mr. Shuman commented that he had been a member of the Board before it had student members, as well as during the past several years when students did serve. Each year, he said, he had thought that the Board was very fortunate in the caliber and dedication of the student members and had thought that surely the students would not be as good the next year. He is happy to say that he had been wrong in that thinking. The caliber and dedication of the students who served during this past year has been on a par, if not greater, than in previous years. Mr. Shuman said he wished to express his appreciation for all of their contributions.

Dr. Matsler presented the following Resolutions commending the students for their service to the Board:

WHEREAS, Kimberly Theobald has served with distinction as a student member of the Board of Regents for a term of one year representing Illinois State University, thereby assisting the Board

in its deliberations by providing a thoughtful student viewpoint, and representing the interests of not only her own campus constituency but those of the three Regency Universities; now, therefore, be it

RESOLVED that the Board of Regents express to Kimberly Theobald its deep appreciation for service rendered to the Regency Universities System, and its wish for success in future endeavors.

WHEREAS, Richard Resnik has served with distinction as a student member of the Board of Regents for a term of one year representing Northern Illinois University, thereby assisting the Board in its deliberations by providing a thoughtful student viewpoint, and representing the interests of not only his own campus constituency but those of the three Regency Universities; now, therefore, be it

RESOLVED that the Board of Regents express to Richard Resnik its deep appreciation for service rendered to the Regency Universities System, and its wish for success in future endeavors.

WHEREAS, Jill Welander has served with distinction as a student member of the Board of Regents for a term of one year representing Sangamon State University, thereby assisting the Board in its deliberations by providing a thoughtful student viewpoint, and representing the interests of not only her own campus constituency but those of the three Regency Universities; now, therefore, be it

RESOLVED that the Board of Regents express to Jill Welander its deep appreciation for service rendered to the Regency Universities System, and its wish for success in future endeavors.

Mr. Shuman moved for adoption of the three Resolutions. The motion was seconded by Mrs. Suggs, and they were adopted unanimously.

Mr. Murray advised that under date of May 25, 1978 he had received the formal resignation from Dr. John Keiser as Acting President of Sangamon State University; and he would read one paragraph from Dr. Keiser's letter to the Board:

It is an understatement to say that I am deeply grateful for the support and understanding that you and the other members of the Board of Regents have provided for the University generally and for me particularly since my arrival in 1970. I have done my best to repay that generosity through service, while recognizing I have received much more than I have given.

Mr. Murray stated to Dr. Keiser that the Board is more than satisfied with the service he has provided, and while they hate to see him leave Sangamon State, they do wish him well in his new position as President of Boise State University.

Dr. Keiser thanked the Chairman and added that he could only repeat the sentiments expressed in his letter. He has learned a great deal, he appreciates the patience the Board has had, and he invites everyone out to Boise State - perhaps, he said, the other Regency Universities would consider scheduling football games with Boise State!

Dr. Martin presented the following Resolution and moved for its adoption:

WHEREAS, Dr. John Keiser, through his scholarship, his administrative leadership and his great energy, has contributed so very much to higher education in the State of Illinois, to the Regency System, and especially to Sangamon State University; now, therefore, be it

RESOLVED that Dr. Keiser be commended by the Illinois Board of Regents for his contribution; and be it

FURTHER RESOLVED that the Board of Regents express to Dr. Keiser its heartfelt thanks on behalf of the People of the State of Illinois and the Regency Universities.

The motion was seconded by Mrs. Suggs, and it carried unanimously.

REPORTS TO THE BOARD

Sangamon State University Presidential Search Committee

Dr. Martin, Chairman, thanked the members of the Search Committee who had worked so valiantly over the past several months to come up with a recommendation to the Board: Dr. Cullom Davis, Dr. John Munkirs, Mr. Leroy Jordan, Mr. Chuck Burbridge, Mrs. Judy Stephens, Mrs. Helen Dunn, Mr. Charles Shuman, Ms. Carol Burns, Mr. Murray and Dr. Matsler. The committee is particularly indebted, he added, to Ms. Elizabeth Purnell for the splendid job she did keeping the files in order and relations good with a large number of candidates. Mr. Shuman said he would also express appreciation to Dr. Cullom Davis for serving as liaison with the faculty and for putting in so much time on the search. Dr. Davis served as Vice Chairman of the Committee, Dr. Martin noted, and since the Chairman lives at such a distance from the campus, the bulk of the work was borne by Dr. Davis.

The Committee recommends, Dr. Martin said, that Dr. Alex Lacy be elected as the second President of Sangamon State University. Dr. Lacy is presently the Director of the Division of Public Programs of the National Endowment for the Humanities. He holds a Ph. D. degree in Political Science from the University of Virginia, and a Bachelor of Arts degree in the same discipline from Duke University. He previously served as Dean of the School of Urban Life and Professor of Political Science at Georgia State University. Prior to that he served as a Professor of Political Science both at the University of Virginia and at Tulane University. The Presidential Search Committee commends Dr. Lacy to the Board, Dr. Martin concluded.

Mr. Murray thanked Dr. Martin for his report and recommendation. Earlier this morning in executive session, he said, the Board indeed indicated its willingness not only to accept the recommendation of the Committee, but expressed considerable joy and expectation in the Committee's decision. The Board should now take formal action on the appointment, the Chairman stated.

Dr. Martin moved for approval of the appointment of Dr. Alex Lacy as President of Sangamon State University at an annual salary of \$44,000, plus moving expenses, and the normal benefits accorded to Regency University Presidents, effective September 1, 1978. The motion was seconded by Ms. Theobald, and it carried unanimously.

Mr. Murray said the Board has received word that Dr. Lacy is willing to accept the appointment on the terms stated, and it is with a great deal of pleasure that the Board presents to Sangamon State University Dr. Alex Lacy as the new President effective September 1, 1978.

Mr. Murray said he knows some of the effort put forth by the Search Committee and noting that some of the members were in the audience today, he asked them to stand and be recognized for their efforts. The Search Committee was then discharged with the Board's gratitude.

Mr. Murray noted from the time Dr. Keiser leaves campus until September 1, the University will need an Acting President, and he called for a motion to name an individual to fill the position during that period.

Mr. Parker moved that Dr. Thomas Goins be named as Acting President for the period stated. The motion was seconded by Mr. Resnik, and it carried unanimously.

Board of Higher Education Actions

Dr. Martin reported that the meeting of the BHE at the College of Lake County was a very routine meeting. There was an extended discussion of minority enrollments in medical schools. Mostly it was involved with allocation of funds to the private institutions under the Financial Assistance Act, to medical schools and hospitals affiliated with the public universities. There was nothing of much consequence to the Regency Universities discussed at the meeting.

Northern Illinois University Presidential Search Committee

Dr. Wellbank reported that the Search Committee has had seven meetings and has interviewed four candidates finally, one of whom has since withdrawn. Three candidates will be visiting the NIU campus in late June and early July. At the request of the Chairman, Dr. Wellbank gave a bit of background on each of the three candidates. Dr. Charles Kegel, he said, is 53 years of age, has a Ph.D. in English from Michigan State University, and is presently Professor of English at Idaho State University and Academic Vice President.

Dr. Edward Jakubauskas, Dr. Wellbank reported, is 48 years old, holds a Ph.D. in Economics from the University of Wisconsin, and is presently Vice President for Academic Affairs at the University of Wyoming at Laramie, and Professor of Economics.

The third candidate, Dr. Wellbank advised, is Dr. Monat - well known to everyone.

The committee still expects to make a report to the Board on July 27, Mr. Murray asked? That is the plan, Dr. Wellbank advised.

Joint University Advisory Committee

Mr. Koltun introduced a new student representative from Sangamon State University, Mr. James Stark, a graduate student in Economics. He announced that JJAC had elected new officers for the coming year: Professor Michael Ayers as Secretary; Dr. Charles Hicklin as Vice Chairman; and Mr. Wayne Albrecht as Chairman. This morning, Mr. Koltun reported, the committee formulated a plan to respond to the Board's inquiry about the probationary period for non-tenured faculty, and their report will be coordinated with that of the Staff sometime in the Fall of 1978.

Mr. Murray welcomed Mr. Stark to the Committee, stating that the Board will look forward to working with him during his tenure on the Committee.

EXECUTIVE DIRECTOR'S REPORT NO. 97

Section I - Legislative Report

Dr. Matsler presented a report on selected bills of interest to the Board of Regents. He reported that our appropriation bill is now out of the House and back in the Senate for concurrence, where it may be voted on either today or tomorrow. The bill then will go to the Governor. Dr. Matsler said he wished to compliment Mr. Don Beahringer of the Central Staff for all of the work he had done getting the bill through both houses. As to the resolution for the Sangamon State student housing project, Dr. Matsler stated they believe this will be called soon from the Speaker's desk, and no problem is foreseen with it. It is just a matter of timing as to when the Speaker wishes to take up resolutions.

Section II - Public Liability Insurance

Dr. Matsler advised that because Mr. Keating has been ill, the writing of the specifications for the public liability insurance is not as far along as would be liked; however, he said that he had gone over the specifications last week. Mr. John Howard of the insurance office at Northern is in the audience today, he said, and would respond to any questions the Board might have. Staff anticipates coming to the Board for action on the bids either as a special mailout item, or in August if there should be a special meeting of the Board. One of the reasons the insurance matter was held up this year, he advised, was the

hope that there might be instituted in Illinois a program for self-insurance. This has not as yet developed, he said, to the extent we can ignore the need for the insurance, so we must move to continue with our present policy.

Mr. Winning added that there had been a question raised at one of the Board meetings recently as to whether our liability insurance covers punitive damages. An investigation has been made of this and it has been concluded that in Illinois it does, and that the general terms of the policy having no exclusions of punitive damages, they would be covered.

Section III - Administrative Salary Plan

Dr. Matsler reported that each year he brings to the Board for approval the Administrative Salary Plan ranges. This year, he said, they are including in the Plan a number of deans at the institutions, and page 14 contains the results of the work of a committee comprised of the Presidents, institutional staff and Central Staff. Dr. Matsler said before presenting Staff recommendations to the Board, he would ask that the suggested changes in position placements be deleted for the time being. He would then ask that the Chairman of the Board appoint a committee of the Board to study these changes, with the exception of the new deans.

He noted that the changes in the Administrative Salary Plan ranges for the coming year would not change any individual salaries, but only the ranges which exist - an increase of 10% in the midpoints of the ranges.

Staff recommends that the Administrative Salary Plan be revised to include the additional positions and pay grade placements as shown in the Report, and that the 1978-79 salary ranges be those shown on page 16, to become effective July 1, 1978. Staff further recommends that the following policy with respect to hiring persons for positions in the Administrative Salary Plan be adopted:

Normally, persons hired to fill positions within the Administrative Salary Plan shall not be placed at a salary above the mid-point of the range of that position. The Board may take exception to this policy, but will only do so after hearing reasons for taking such exceptions from the Executive Director or the Presidents.

Mr. Resnik moved for approval of the Staff recommendations relative to the Administrative Salary Plan, with authority to the Chairman to appoint a committee of the Board to study the changes in salary grades for individual positions. The motion was seconded by Mrs. Suggs, and it carried unanimously.

Mr. Murray asked Dr. Wellbank to serve as Chairperson of the committee. Ms. Burns, Mr. Patterson and Mr. Shuman were also asked to serve.

Section IV - Board Meeting Calendar: July 1978 - June 1979

Dr. Matsler presented for Board consideration a calendar of meetings for the coming year.

Mr. Shuman moved for approval of the calendar with the exception that the March 1979 meeting will be subject to call; that the April meeting will be held at NIU; the May meeting at ISU; and the June meeting in Springfield. The motion was seconded by Ms. Theobald.

Mr. Murray inquired if eliminating the March meeting would pose any particular problems. Dr. Brim of the Staff advised that with this much advance notice, reports which would normally come to the Board at that time could be rescheduled. Where would the March meeting be held if one is deemed necessary, Mr. Murray asked. Chicago would be one possibility, Dr. Matsler stated, or Springfield - but this could be left to the pleasure of the Board.

Ms. Welander asked that the June 1979 meeting be held on the Sangamon State campus. Mr. Shuman and Ms. Theobald accepted this as a friendly amendment to the motion. The question before the Board was called, and the motion was carried unanimously.

The calendar of meetings as approved is as follows:

July 27, 1978	Northern Illinois University
August 1978	Subject to Call
September 21, 1978	Illinois State University
October 26, 1978	Sangamon State University
November 1978	Subject to Call
December 7, 1978	Northern Illinois University
January 18, 1979	Illinois State University
February 15, 1979	Sangamon State University
March 1979	Subject to Call
April 19, 1979	Northern Illinois University
May 17, 1979	Illinois State University
June 21, 1979	Sangamon State University

Section V - FY80 RAMP New and Expanded Program Requests

Staff had prepared this summary, Dr. Matsler stated, of the complete detailed requests by the universities, copies of which had been mailed to the Regents. The Board has seen these programs before when they reviewed the academic plans, he added, however we now have the cost figures. He directed the attention of the Board to pages 40, 41 and 42 of the Report, listing the Staff recommendations.

Northern Illinois University

- (1) The Central Staff recommends that the Board approve the following academic programs and administrative units at Northern Illinois University for implementation in the 1979-80 year. These proposals will be forwarded as a part of the FY80 New and Expanded Program Requests to the Board of Higher Education for review and approval.

Specialization in Oncology: Master of Science in Nursing
 Bachelor of Science Degree in Community Health
 Bachelor of Science Degree in Meteorology
 Master of Arts Degree in Cross-Cultural Spanish Studies
 Doctor of Philosophy Degree in Geosciences
 Doctor of Philosophy Degree in Applied Computer Science

- (2) The Staff recommends that the Board approve a total FY80 budgetary request of \$809,686 for Northern Illinois University New and Expanded Programs, as detailed in the Staff report.

Illinois State University

- (1) Staff recommends that the Board approve the following academic programs and administrative units at Illinois State University for implementation in the 1979-80 academic year. These proposals will be forwarded as a part of the FY80 New and Expanded Program Requests to the Board of Higher Education for review and approval.

Master of Science Degree in Corrections
 Certificate of Advanced Study in Educational Administration
 Certificate of Advanced Study in Counselor Education
 Community Problems Resource and Research Center

- (2) Staff recommends that the Board approve a total FY80 budgetary request of \$936,000 for Illinois State University New and Expanded Programs and Special Analytical Studies, as detailed in the tables in the Staff report.

Sangamon State University

- (1) Staff recommends that the Board approve the following academic program and administrative unit at Sangamon State University for implementation in the 1979-80 academic year. These proposals will be forwarded as a part of the FY80 New and Expanded Program Requests to the Board of Higher Education for review and approval.

Bachelor of Science Degree in Computer Science
 Intergovernmental Clearinghouse

- (2) Staff recommends that the Board approve a total FY80 budgetary request of \$122,500 for Sangamon State University New and Expanded Programs and Special Analytical Studies, as detailed in the tables in the Staff report.

Mr. Shuman inquired when the Board is furnished with a list of programs or courses which are dropped. Usually this is brought to the Board either in January or February, Dr. Matsler replied. Mr. Shuman said he believes the time is coming when we will have to drop something for everything we add, and we should commence to do this sort of thing.

In terms of new programs, Dr. Matsler said, we actually receive less money just because of inflation than we have received in previous years. The universities more and more are having to reallocate. It will be noted that some of the programs listed are of such a nature that they do require some added funds, however, the amounts are not large. Dr. Matsler suggested what we should be looking at, rather than reducing programs, are student/faculty ratios, class loads, and these sorts of things. This will give an idea of how the funds are used. He called attention to one correction on page 41 of the Report - the budget recommended for the B.S. Degree in Community Health at NIU should be shown as \$59,786 rather than \$59,186.

Dr. Matsler also noted that each year the Board does review 20% of the existing programs.

Mr. Shuman said that these requests come to almost \$2 million, and in view of what he thinks is the justifiable mood of the public on taxes, he believes that the Board of Regents would be well advised to ask that there be a report showing where offsetting reductions have been made, at some future time. We should be accountable, he said, and if we are going to add \$2 million, we should show where it is coming from.

That is a reasonable request, Dr. Matsler said, and he believes such a report can be provided. However, he also would point out that the Board will be receiving some additional requests for funding in September when the Special Analytical Studies are reviewed, those which do not fit into the NEPR category. ISU will be requesting funds to decrease faculty load a little, and Northern for additional support for continuing education.

Mr. Parker commended the Staff on a good job of making these program requests readable and understandable for the Board, stating that this saves them a lot of time.

Referring to the Bachelor of Science Degree in Community Health at Northern, Dr. Martin noted that the Staff report states that students would be required to complete 31 to 33 semester core hours as well as the requirements of the emphasis. This appears to him to add up to a whole lot of hours, and he wanted to be sure he understands that as much as 80 or 82 hours would be specified out of 120. This amounts to 2/3 of the hours required for a four year program, Dr. Wellbank pointed out. Dr. Monat stated that he could not supply an answer at this time. Dr. Matsler asked if the concern is that this is too much specific and not enough general education. Dr. Monat said this looks like a highly structured program, but many of the professional programs are - such as accountancy and nursing. Dr. Martin said the source of that tendency is really the object of his question. Some of the source for this tendency is accreditation, Dr. Monat pointed out. Dr. Martin agreed, adding that he wanted to register his concern about this because of the lack of flexibility for students to pursue their interests which might not be just down some narrow career track.

Mrs. Suggs said that particularly in the health fields, since they are so highly

specialized, for accreditation and employability in the various health delivery systems, there has to be a very strict kind of preparation so that they understand their particular "specialties".

That is why he raises the question, Dr. Martin said, because so many of these decisions appear to be based on the pressure of forces beyond our scope and control, and he wonders just where the faculties of the universities can draw the line and say, "This is what we think is a sound educational program". He would like to hear a program like this justified on the basis of faculty decisions that this is what is really needed by the students, rather than on the basis of "someone out there twisting our arms" - whether it is a personnel director who hires people or some nonsensical accreditation agency. Dr. Martin said he believes that we have enough sense on the campuses to decide these matters without some of these external forces shaping what we can do.

Mrs. Suggs said that training, particularly in the health fields, in our universities vs. the traditional thing of hospital accreditation, has been moving more toward an academic emphasis, rather than the way it was before.

Dr. Monat said he does not really believe in this instance that it was a matter where the people who were designing the program capitulated to outside forces. This is a program that has been under study for some time, and it does represent the best judgment of the faculty. Dr. Martin said that makes him much more comfortable with the program.

Mr. Resnik moved for approval of the Staff recommendations relative to the New and Expanded Program Requests. The motion was seconded by Mrs. Suggs, and it carried unanimously.

Mr. Murray complimented the Staff for a very thorough report. He said that while he did note some minor differences between the individual RAMP reports and the summary, they were very insignificant.

Section VI - Interim Authorization to Obligate and Expend Funds

Dr. Matsler advised that because of the timing of the appropriation process and the final approval by the Governor, and also because the 1978-79 internal budgets will not be presented until October for approval by the Board, it is necessary to request Board authorization to obligate and expend funds in the interim period.

Pending Board approval of the internal budgets, Staff recommends that the Board authorize the universities to make tentative internal allocations for FY79 within the currently available appropriations, and to obligate and expend funds from these allocations, with such authorization to extend to obligations and expenditures made on this basis from July 1, 1978. All such obligations and expenditures must be in compliance with applicable statutes, bylaws, governing policies, Board Regulations and administrative decisions currently in effect.

Ms. Burns moved for approval of the Staff recommendation. The motion was seconded by Mr. Resnik, and it carried unanimously.

Section VII - Revenue Bond Refunding

Dr. Matsler advised that at the University of Illinois and at Southern Illinois University there has been a re-examination of the entire revenue bond area, with the idea of re-financing and perhaps providing a better cash flow. We are fortunate, he said, in having the firms that worked with those two systems to be willing to work with us and examine whether or not this would be beneficial to us. This is somewhat like refinancing a home, Dr. Matsler said, so that payments will be less and you have more money to work with - although this does a little more than that. A report, prepared by the A. G. Becker firm and the Continental Bank, indicates that the refunding would be good for us, although we are not absolutely sure as yet. However, the Board does need to give the two firms an indication that it is seriously interested in looking at a refunding program, and we must be very sure that we know what we are getting into, and whether or not it will be truly advantageous to Illinois State and Northern Illinois Universities.

The listing of benefits in the report, Dr. Matsler continued, includes: improving the cash flow each year; allowing the Board to establish uniform rates and charges for comparable facilities on the campus by pooling receipts from all of the facilities included in the system and removing the unnecessary rate covenants with respect to the use of individual groups of facilities. Now, he said, we must follow the rule that each of our accounts must sit on its own bottom and there can be no intermingling of funds. So this would give us some flexibility that we did not have previously. Additionally, it would simplify the accounting procedures of the institutions and also improve the overall credit stature of the universities by reducing the aggregate indebtedness, by diversifying the security for outstanding bonds, and it would increase or restore the credit ratings assigned to the bond obligations of the institutions. Also listed among the benefits is that it would retain the benefits of any existing HUD interest subsidy, and we do have such a subsidy for one of the projects at Illinois State, and this would not be lost. Dr. Matsler introduced to the Board Mr. Kavanagh from the A. G. Becker firm and Mr. Barry from the Continental Bank, to make a further explanation of the proposal. He also introduced Ms. Karen Hedlund from the firm of Mayer, Brown and Platt, counsel for the underwriters.

Mr. Kavanagh noted that Dr. Matsler's analogy was a good one - this is not unlike refinancing a home mortgage - and he had also described the major benefits of such a refinancing. This is becoming a more popular concept in the State of Illinois, he added, and perhaps everyone is wondering why it took so long. Southern Illinois University was the leader in establishing a system, and the University of Illinois just completed the establishment of theirs. The Board of Governors for Eastern and Western Illinois Universities has recently had a preliminary study - such as is being requested here today. The system concept is not a new one, Mr. Kavanagh said, although it is new in Illinois.

The States of Ohio, Wisconsin, North and South Dakota are some of the major midwestern states which have implemented such systems in varying degrees. Basically, the need for creating a system is that you have like or related facilities constructed in various stages in the historic development of the state universities. Inflation has had an adverse effect, much as it would on a home mortgage, if you examine the interest rate that you paid on a home mortgage 10 or 15 years ago. It is substantially less than one would be required to pay today. What we had in the 1940's, 50's, 60's and early 70's was a development and expansion of and need for housing and auxiliary facilities on the campuses, and they were constructed at lower interest rates and at lower construction costs. And with each subsequent financing, because of inflation, you were locked into a form of financing which was really conceived by the federal government in the late 1940's. It was the old revenue bond concept, that if you built a facility, that facility should be able to pay for itself. There was not a true appreciation for the growth and the rate of inflation that the country was going to experience for the next 30 or 40 years. Consequently, Mr. Kavanagh said, you have some very restrictive provisions in the outstanding bond resolutions and, basically, what the system would do - in addition to improving the cash flow as pointed out by Dr. Matsler - it would remove restrictions such as the use of excess funds, accountability for these funds, and what to do with the excess funds if, in fact, one year you have a surplus, in terms of preparing for one or two additional years where you may have a deficit. The Auditor General has taken exception, he noted, and major rating companies have removed the ratings from the Board of Regents as well as the Board of Governors; and based on some preliminary meetings which were held yesterday with the Auditor General, there is an indication that the exceptions taken can be resolved with the creation of the systems. This would provide this Board and future boards with a modern operating financing tool. Basically, Mr. Kavanagh said, what the Board would be doing would be advance refunding its existing debt, and through that advance refunding, it would escrow the proceeds which provide for the payment of the outstanding bonds. It would then develop with the new issue a new set of rules and regulations which would really be the basis for its operation of the housing and auxiliary facilities now and in the future. The Board would have the opportunity, in 10 or 15 years, if it felt it desirable, to take one facility out and make it an academic facility and remove it as a pledge of the revenues of the system. This would be possible. This would give the Board greater economies and flexibility from the standpoint of operating auxiliary facilities. Mr. Kavanagh said he would be glad to answer any specific questions the Board might have.

Mr. Murray noted that Dr. Matsler had stated that this would reduce our aggregate indebtedness, and he asked for an explanation of how that would take place.

Basically, Mr. Kavanagh said, the Board has some bonds that run out a rather long period of time, and it has some debt - thinking back to when most of the facilities were constructed in the period of the late 60's and early 70's. Consequently, he said, you have a greater debt burden for the years from 1980 to the year 1995 or 2000. What this would do is stretch this out, and take advantage of some accumulated funds to provide payment through the purchase of the escrow.

It flattens out the debt. In effect, he said, where you had your greater building need to provide facilities, you ended up with a heavier cash flow in some of the earlier years. Another thing the system does - it takes into consideration from a cash flow standpoint the projections that have been developed for the State of Illinois and nationally as to where the population decline is and where the problems are in this state and nationally; and through about 1996-97 it is forecast that there is going to be a gradual drop in enrollments. That is where the heavy cash flow improvements have been structured to take advantage of that.

Mr. Murray said he still does not see how this would reduce our aggregate indebtedness. Will it increase our indebtedness, but give us a better cash flow, he asked?

Mr. Barry said the old debt, being financed in the 1960's, was financed at a much lower rate than you get on the market today. Additionally, under current Treasury regulations, some of the funds can be invested at higher interest rates. Aggregate indebtedness, he said, is the total principal indebtedness.

Mr. Shuman asked if any analysis had been made as to what this would do to our annual cost of money. The process results, Mr. Barry said, in an aggregate and present value reduction in cost. Also by removing previous restrictive covenants, it results in lower user charges, hopefully. Mr. Kavanagh added that because of the Treasury regulations, if this is accomplished before September 1st, the costs can be absorbed from the arbitrage, which is a very important factor. Basically, he said, all of the costs which are incurred in establishing the system are recovered by increasing the yield on government obligations that you are permitted to buy. Are these bonds put out to bid, Mr. Shuman asked? It would represent a negotiated sale, Mr. Kavanagh said, which in fact would not allow a public competitive sale. As this relates to what was accomplished last week and three months ago for SIU, when their system was established, it was based on a negotiated sale. Last week SIU sold \$5.6 million of bonds at about 38 to 40 basis points lower than Oklahoma State University, first because of the way the system was set up. The ratings for SIU were increased from where they were not rated by Standard & Poor, and they were increased by Moody from an A to A-1.

Dr. Matsler advised when Mr. Kavanagh mentions "system", he is talking about one system for Illinois State and another for Northern. It may very well be that one of the institutions may find it advantageous and the other may not - this has yet to be decided. In any event, he said, he would like to present to the Board a resolution for consideration, although the Board would not be committing the institutions to the plan unless it is convinced that it will work. He wants to insure that the Board does understand that the term "system" does not mean that we are aggregating both institutions into one system. Copies of the draft resolution were distributed by Dr. Matsler.

WHEREAS, at a meeting of the Board on June 22, 1978 the Board endorsed the concept of an Advance Refunding of the existing outstanding bonded indebtedness of Illinois State University (the "University");

WHEREAS, the Board has concluded that a planned underwriting would be more advantageous to the University than a competitive sale primarily because of unique problems arising from such a restructuring of the University's debt;

WHEREAS, a planned underwriting will allow the Board to control both the timing and precision of the debt restructuring and make the best use of the advantages obtainable from the United States Treasury regulations applicable to such refunding issues;

WHEREAS, members of the Board and its staff have met and consulted with representatives of Continental Illinois National Bank and Trust Company of Chicago ("Continental Bank") and A. G. Becker Municipal Securities, Inc. ("A. G. Becker") to determine the best method of proceeding with the advance refunding and to select an underwriting group, if any, with the capability of handling the proposed sale;

WHEREAS, Continental Bank and A. G. Becker developed the recent planned underwritings of the advance refunding issues for the University of Illinois and Southern Illinois University and have significant expertise with respect to the techniques to be used in structuring a new debt program for the University;

THEREFORE, BE IT RESOLVED, that the Board proceed with the planned underwriting of the Advance Refunding of the outstanding indebtedness of the University, and that Continental Bank and A. G. Becker be appointed as joint managing underwriters of the Advance Refunding Bond Issue; and

BE IT FURTHER RESOLVED, that the appropriate officers of the University be authorized to do all things necessary and appropriate in connection with the planned underwriting program; provided that a draft of the proposed University's preliminary official statement concerning such underwriting shall be approved by the Board as well as the proposed Contract of Sale and the proposed bond resolution.

WHEREAS, the Legal Counsel to the Board has recommended that in order to proceed with the Advance Refunding Bond Issue for the University, it is advisable that the Board now retain special bond counsel to provide legal assistance with respect to the issue, and has further recommended the employment of the law firm of Chapman and Cutler in that capacity;

BE IT RESOLVED, that the law firm of Chapman and Cutler of Chicago Illinois, be retained as bond counsel for the Advance Refunding Bond Issue for the University.

Mrs. Suggs said she would like some discussion as to the negative aspects of this and, if we have a time limitation, whether we could implement this since we are late getting on board. Right now, Mr. Kavanagh said, as proposed by the Treasury you could not recover the cost by increasing the yield on government obligations or through arbitrage, and it would represent a direct cost to the Board of Regents.

Before the Board finally acts on this, Mr. Shuman asked, would it have a report showing whether or not we are going to have an increased interest load. Mr. Murray said he thinks it a foregone conclusion that we will have some increased interest load. Mr. Kavanagh said the principal will decline and the interest will go up, so that basically it is a wash, but it must also be noted that accumulated reserves that they are presently contemplating will be expended at higher yields to reduce and improve the cash flow. If you measured what you are currently going to pay in terms of total dollars at either ISU or NIU vs. what you will pay in the future, disregarding the expenditure of those funds in government obligations, it could be that the overall cash demands could be less.

By passing the resolution, Mr. Murray asked, it would be this analysis that the Board would authorize the firms to proceed with? That is correct, Mr. Kavanagh stated.

It may be, Dr. Matsler said, that ISU may feel that this is not the best way to go, but on the other hand the analysis may show that both universities should go this way. The institutions themselves really have not had enough time to get as much information together as would be liked. There is still a lot of work left to be done before September 1.

Mr. Murray said it appears to make good sense, and he would have no objection with going ahead with the analysis, but he asked if by passing the resolution the Board would be obligating itself in any way. Not from the standpoint of cost, Mr. Kavanagh said, because the Board still has to be convinced that this would be the most efficient way of operating their housing and auxiliary systems. Who from the institutions are working with the two firms, Mr. Murray asked. The comptrollers, Dr. Matsler said, and Mr. Freeman from the Central Office.

President Watkins said he would like to be as positive about this as he could, but this is so new, and there are so many unanswered things, things that he does not understand fully. Specifically, he said, he does not understand what impact this would have on the situation at ISU. He has gathered in conversations with his people that the situations with regard to the two universities are not so similar that what might be advantageous for one would be for the other. Dr. Watkins said he is not sure how much of a commitment there is, and he would like to publicly go on record, from the standpoint of Illinois State University, and recommend strongly and hope that if in their analysis they find that it is not advantageous for the university and the students, that they would not be drawn into a system which would put them at a disad-

vantage. He hopes that this is understood, and he assumes that it is. The particular resolution, he noted, refers only to Illinois State University, and he would assume there is another for Northern. At this time, he said, he is not prepared to analyze exactly what this would commit them to. He does have these caveats about it, he said, and thinks that staff people would have the same concerns, and they would like to have an opportunity to find out what they are getting into.

What the resolution proposes, Mr. Winning said, is that the Board proceed with the underwriters to develop a program for submission of a bond resolution to the Board. Mr. Winning said his recommendation would be that they get the firm of Chapman and Cutler on board to supervise the deliberations between now and the meeting of the Board at which the bond resolution would be approved. But this would be a good faith, cooperative resolution indicating that the Board wants to proceed because this sounds like a good idea.

If we move into this, President Watkins asked, to what degree will the respective institutions lose the ability to do the kinds of things they are now doing -- refurbishing in areas where it is needed, air-conditioning where it is needed -- doing the types of specific repairs with funds they have for those purposes. Would this affect the university's ability to determine its fate? Mr. Kavanagh said the university now has far more restrictive provisions in the covenants in the outstanding bond resolutions than would be incorporated in the bond resolution for the system, and the provisions are gone over very carefully. In light of what the rating services and the investing public demand today - which is far different than what it was back in the 1940's and 1960's - what they will end up with as an operating tool will be far more liberal and will give the opportunity to do more things with housing and auxiliary facilities, Mr. Kavanagh advised.

President Watkins continued that he still has some reservations, stating that he did not understand how the university would be able to accomplish some of the needed projects, nor who would have the reserve funds. Suppose, he said, that in future years they wanted to put in \$900,000 worth of air-conditioning in Hamilton-Whitten - how could they do that? Who would have the money?

Mr. Kavanagh said this could be done in several ways. They could capitalize the cost such as SIU did with their sale last week. Most of the \$5.6 million they raised was to air-condition some dorms that they did not otherwise have the funds for, where they were restricted in other accounts. Or, if you had accumulated the funds today, he said, which is one of the questions raised by the Auditor General - how did you accumulate the funds, and have you been accumulating them because the State has been paying utility costs? The State wants its money back because it has made a contribution. The new resolution will set forth very clearly and will indenture what the university may be required to do. It can be just as broad and think ahead 15 or 20 years to what capital needs are going to be. But if worse comes to worse,

he said, and you have a capital improvement of \$900,000 or maybe several million dollars, you will be provided with a vehicle that is going to have all of the auxiliary facilities on the campus pledged to not only what is there but also to what is forthcoming, so that all of the revenues will be pledged to the particular improvement you are going to construct. That is what results in a higher credit rating, Mr. Kavanagh said.

Mr. Freeman said it turns out to be the most efficient way to do it. However, the capability is still there to use those reserves if you so wish. The reserves under the new issue would go to retire the debt, and certain reserves would be established. They can take care of all projects on board now, he said.

Is it sort of like consolidating a loan, Dr. Watkins asked? And this would obligate future generations of students for more years than what they are currently obligated? Not more years, Mr. Freeman said, the level of debt service is 30 years and current debt extends out that long. Not all of it, Dr. Watkins said. That's true, Mr. Freeman said, but that is where the advantage is.

It may very well be that this is very advantageous, Dr. Watkins said, but he just does not want to make any irrevocable commitment until we have had an opportunity to study this thoroughly.

That is the sense of the Board, Mr. Murray stated. He told Mr. Kavanagh that he would assume by passing the resolution the Board would not be obligating itself to either A. G. Becker or Continental Bank or anyone else. That is correct, Mr. Kavanagh said. Except, Dr. Wellbank noted, the resolution states that the Board is endorsing the concept - and it does not even know what the concept is. Mr. Winning noted that the appointment of Chapman and Cutler is contingent upon the ultimate satisfaction of the Board and the institutions themselves that this is desirable.

Could the Board simply endorse a further study of the concept, Mr. Murray asked? Mr. Barry said he felt he could speak for both firms that this is a good program and that it makes sense, noting that the fact that SIU and the Board of Governors have moved in this direction. By any stretch of the imagination, he said, they do not want the Board of Regents to enter into anything with which they are uncomfortable. This is a very complicated matter, and it takes time to explain it. Both firms look forward to working with the Board and the institutions on this, he said, but there would be no commitment at all on the part of the Board, other than going ahead to work with the two firms.

Mr. Kavanagh said this took a long time to explain to the SIU board. The reason they are coming to the Board of Regents in such a short time without having the opportunity to work specifically with each of the universities under the direction of Dr. Matsler's office, is because of the Treasury regulations which were issued on May 3. He would urge that the Board at least give them the opportunity to work with the universities and show them

that based on experience in other states this will represent an opportunity to keep costs down to students in future generations. As much time as necessary will be taken with the Presidents and their representatives.

Mr. Murray said there are a couple of problems that seem to be bothering the Board. It seems to him that everyone is willing to study this, but perhaps do not like some of the terminology in the resolution which appears to obligate the Board. For instance, he said, it might be better to word the resolution to state that the Board endorsed the further study of the concept; and also that Continental Bank and A. G. Becker be appointed as joint managing underwriters of the Advance Refunding Bond Issue in the event such underwriting is approved by the Board.

Mr. Murray said he has one other problem with the resolution - the recommendation for employment of Chapman and Cutler. In view of the Board's problem with another firm and a bill for legal services, he wonders if some language could be added which would protect the Board of Regents. In this connection, Mr. Kavanagh said, the services of Chapman and Cutler would be contingent upon completion of the financing. Then this would be on a fee basis contingent upon approval of the underwriting, Mr. Murray asked? That is correct, Mr. Kavanagh said.

Mr. Shuman said he objects somewhat to appointing the two firms until the Board has some knowledge of what their fees will be.

Basically the cost is an underwriting cost, Mr. Kavanagh advised. It must be appreciated that under the statute you cannot have discount bonds, so that you must recover whatever costs are associated with the underwriting, the financing, advising and structuring of the issue, from an increase in the yield. It is not unlike a situation where you have a competitive sale and the underwriting group is going to give you a coupon rate on your bonds and then sell them to recover their costs and their liability in their underwriting. From the standpoint of what the specific costs would be, it would be consistent with what was charged for SIU and the University of Illinois. There are fairly common underwriting spreads for higher education revenue bonds, whether they are competitive or negotiated.

Under the proposed contract, Mr. Shuman noted, we would be designating A. G. Becker and the Continental Bank as the underwriters without any chance to know what competition might do.

When you speak of competition, Mr. Kavanagh said, there really has not been anyone with the needed sophistication, and this really represents a new concept which the two firms have been designated to establish in other states, and after several years of conversation, started working with SIU. The University of Illinois made it a major program, their staff got to it and worked very hard, and it was accomplished in a period of 6 months. He said he must apologize for not having the opportunity to explain this more fully, but it was because of the Treasury ruling. But from the standpoint of costs, while this is not a unique concept, the Continental and his own firm have put together the tools and have the experience to do this.

They are both Illinois domiciled firms, have substantial reputations, and have been in business for many years. They do have a commitment to serve fellow Illinois institutions.

Mr. Shuman said he did not intend to challenge the ability of the firms, but he does think that the Board should think carefully before it accepts a single bid. Ordinarily we get bids on most anything we buy, he said, and he would like to know what the competition would offer. Ordinarily when you float a bond issue, you get competing bids, he said.

If there is a public competitive sale, Mr. Kavanagh said. Because of the time factor and the costs, he said, if bids are to be elicited from other firms who do not have the sophistication, who will have to go through a learning process, go back to the institutions, go through the process and then come back to the Board, he does not think this can be accomplished by September 1.

Mr. Brady said he would be willing to go along with the notion that the Board ask the firms to look into this for us and develop a proposal, but as soon as possible he would like to get into the Treasury regulations and also see a sample of the proposals for SIU and the U of I. How many pages would this entail, he asked.

Probably close to 1600 pages, Mr. Kavanagh stated. He added that a document had been prepared and is available in limited numbers for all members. He said he did bring with him a number of the offering circulars for the University of Illinois. From the standpoint of competitiveness, Mr. Kavanah said, SIU did sell bonds competitively last week. The University of Illinois is going to be selling competitively \$35 million in bonds sometime in September. For this transaction, because the cost will be recovered from arbitrage, they have an obligation to be fair and prudent from the standpoint of what the charges are because the Treasury is going to look askance at any excessive charges made. In addition, the cost is basically paid out of arbitrage, so it does not represent a direct cost to the Board of Regents.

Mr. Murray said it seems to him that this is fairly important as far as the Board is concerned, although he could appreciate Mr. Shuman's concern, and contrary to some remarks made today, the Board must select reputable counsel and underwriters for this. If the Board waits until after September 1, it might be breaching its obligation to the institutions.

Mr. Shuman said his only opposition is to monopoly action. It appears to him that this is a sewed-up package and that we won't know until too late whether or not we are benefitting ourselves. That is his concern.

In fairness, Mr. Winning commented, this concept was brought to the Board, and all underwriters had the opportunity to bring it in. But this is the only firm that did. This is an imaginative thing that the Board may either take or not take, he said, but he would point out that everyone did have an equal opportunity to get a proposal to the Board, and this is the only firm that did.

Dr. Matsler asked Mr. Kavanagh if he would think the charges which would be incurred would be comparable or less with what we have paid our financial advisors in the past.

Mr. Kavanagh said he has an idea they would be substantially less. He could give specific illustrations of what financial advisors have charged because he has been acting in such a capacity for many years, and in fact, A. G. Becker still serves the Illinois State Scholarship Commission and the Illinois Higher Education Facilities Authority as well as SIU and the University of Illinois. Additionally, he said their fee schedule is approved by a number of state agencies. It is always based on public competitive submission.

Dr. Matsler asked if Mr. Kavanagh would expect the rate from a negotiated sale to be substantially similar to the sale of the bonds by SIU and the University of Illinois. By comparing the market, yes, Mr. Kavanagh said, but you must appreciate that from an interest cost, the interest rate standpoint, it could be better or it could be worse. There is every indication that interest rates are going to go higher and higher, as reflected in the prime rate. It must also be appreciated that because of the covenants they have the U of I and Southern can pledge tuition, either in some limited amount or as decided by their boards. The University of Illinois has received a AA rating. The Board of Regents does not have that opportunity with tuition, although it can pledge fees.

Mr. Murray said it seems to him that it would be worthwhile for us to go ahead and study this, and certainly the two firms are expending a lot of time and effort in making the presentation - which the Board might totally reject. But in view of the time constraints, he thinks we should go ahead with this.

Dr. Wellbank then moved for adoption of a simpler resolution:

RESOLVED that representatives of Continental Illinois National Bank and Trust Company of Chicago and A. G. Becker Municipal Securities, Inc. explore the concept of advance refunding of the existing outstanding bonded indebtedness of Illinois State University and Northern Illinois University and report to the Board the results of their exploration.

The motion was seconded by Ms. Theobald.

Mr. Murray inquired if this would be satisfactory with the two firms. Mr. Barry said this is a very innovative area, and after they had done all of the work, it might be possible for some other firm to capitalize on the plan. He thought it might be more acceptable if some language were inserted to the effect that if it is determined in the best interest of the Board of Regents, they would then proceed with the two firms to do the financing.

Mr. Murray said the Board is willing to give the firms an indication of its

good faith, without a commitment, and that is the best it could do. Would this be agreeable, he asked? Mr. Barry said this would be acceptable.

Mr. Murray asked Mr. Winning if it were necessary under the Board's deliberations to retain Chapman and Cutler, or would the underwriting firms do this. It would be on a contingent basis, Mr. Kavanagh said, the way the Board is retaining them.

The thing that concerns him, Mr. Winning said, is that they will have to bring Chapman and Cutler on board between now and the time of the meeting at which the bond resolution is presented, because they will have to prepare contract documents and the bond resolution, and they will have to do some actual tangible work in creating the program in order to present it to the Board. He would think that the Board should at least acknowledge the use of Chapman and Cutler as well as the other two firms on an interim basis.

Mr. Kavanagh said this had been worked out on a contingent basis with the Board of Governors and other systems. It must be appreciated that until a board takes formal action, everyone works on a contingent basis. From the standpoint of the exclusivity of the plan, he said he is not concerned about that.

Mr. Murray said if Mr. Kavanagh is satisfied with the motion, he did not think we need go any further. The motion before the Board was called for a vote, and it carried unanimously.

Mr. Murray thanked the representatives of the firms for making the presentation to the Board.

Section VIII - Board Regulation Amendment: Taping and Filming of Board Meetings

Dr. Matsler presented, with a recommendation that it be approved, an amendment to Board Regulations which would comply with the provisions of Public Act 80-862 which authorizes news media representatives to tape, film, or otherwise record proceedings of the Board of Regents.

Mrs. Suggs moved for approval of the proposed amendment. The motion was seconded by Ms. Welander, and it carried unanimously.

Section IX - Report of Legal Counsel

1. Refunding Bond Project
(Board action recorded elsewhere in these minutes.)
2. Bill for Services of Jenner and Block
Mr. Winning stated that in view of information which came to his attention after preparation of his report, he was withdrawing his recom-

mendation that the bill be paid. He said he would suggest to the Board that at this time the bill be rejected.

Mr. Shuman moved that the Board decline to pay the bill submitted by Jenner and Block for services in connection with the Krauss litigation, and that the firm be relieved of the obligation to proceed in this matter. The motion was seconded by Ms. Burns.

Dr. Monat asked Mr. Winning in terms of what work Jenner and Block have done on this case, will we have access to it if either Board Counsel and University Counsel or some other firm assumes responsibility. Mr. Winning said any materials the firm has he would assume they could retain until they are paid. He said the question of whether we could reproduce such material is an open one, but he would assume that we could do this. Mr. Murray said he is confident that University Counsel could reproduce what has been done by Jenner and Block in an hour or so.

The question before the Board was called, and the motion carried unanimously.

3. Extension of Central Office Lease

Mr. Winning presented the following Resolution with a recommendation that it be adopted:

RESOLVED that the lease number 75101 between the partnership known as Myers Families and the Board of Regents covering the premises known as Suites 616 and 610 on the Sixth Floor of the Myers Building at One West Old State Capitol Plaza in the City of Springfield, Illinois, to be used for office and administrative purposes of the Board of Regents at monthly rentals of \$2,103.00, be extended for a twenty-four month period through June 30, 1980, and that such extension be and the same is hereby approved subject to suitable appropriations, and that the officers of the Board of Regents be and are hereby authorized to execute said lease extension for and on behalf of the Board of Regents.

Ms. Welander moved for adoption of the Resolution. The motion was seconded by Dr. Martin, and it carried unanimously.

Mr. Winning reported to the Board that the Administrator of the estate of Ronald Pietrzak has filed in the Court of Claims for \$100,000 damages for whatever activity is alleged by the Health Service at Northern Illinois University.

He also reported that there appears to be developing the possibility of a lawsuit on a question involving some procedural mistakes alleged to have been made at Sangamon State University, although he would not disclose the names of the people involved because the suit may not come to pass.

However, Mr. Winning said, he does have a letter notifying him of the possibility of such a suit.

Mr. Shuman said the Board had received copies of a report on publications at Illinois State and Northern Illinois Universities, as well as a copy of a report on the University Press. He did not recall that Sangamon State submitted a report. Dr. Matsler advised that Sangamon's is included in the President's Report. Mr. Shuman suggested that time be provided on the agenda of the July meeting of the Board for a discussion of these reports.

RECURRING INSTITUTIONAL MATTERS

Sangamon State University - President's Report

President Keiser presented information reports to the Board on:

- Active Applications for Semester I, 1978-79
- Publications Study
- Grants and Contracts
- Student Housing - Summary of Financial Operation and Analysis of Fund Balance

The following items were submitted for Board action:

1. Approval of Depositories

The following Resolution was presented for Board consideration:

RESOLVED that The First National Bank of Springfield, Springfield Marine Bank, and The Illinois National Bank of Springfield, all of Springfield, Illinois, are hereby designated depositories in bank clearing accounts in the name of Sangamon State University of funds received from tuition, fees, auxiliary enterprises, and other sources payable to or intended for Sangamon State University and that the funds so deposited therein may be withdrawn upon check, draft, note, or order of Sangamon State University.

BE IT FURTHER RESOLVED that the Town and Country Bank, The Sangamon Bank and Trust, and the American Savings and Loan Association, all of Springfield, Illinois, and the Chatham Community Bank of Chatham, Illinois, are hereby designated depositories for time deposit accounts in the name of Sangamon State University of funds received from tuition, fees, auxiliary enterprises, and other sources payable to or intended for Sangamon State University and that the funds so deposited therein may be withdrawn upon check, draft, note, or order of Sangamon State University.

BE IT FURTHER RESOLVED that Sangamon State University is hereby authorized to enter into an agreement with American National Bank and Trust Company of Chicago, Illinois, for services of said bank as a depository for the active collection from students

or former students of Sangamon State University, of loans or installments of loans when due at compensation not exceeding and in the manner similar to current agreements with other educational institutions and that the funds so deposited therein may be withdrawn upon check, draft, note, or order of Sangamon State University.

BE IT FURTHER RESOLVED that the First Citizens Bank of Mount Morris, Illinois, is hereby designated a depository for funds received for subscriptions to Illinois Issues and that funds so deposited therein may be withdrawn upon check, draft, note, or order of Sangamon State University.

BE IT FURTHER RESOLVED that all checks, drafts, notes, or orders drawn against any of said accounts be signed by the Vice President for Business and Administrative Services and the Comptroller or the Supervisor of Accounting of Sangamon State University, and that the signatures of the above be certified by the President of Sangamon State University, and that no check, draft, note, or order drawn on any of the above accounts be valid unless signed as authorized by this paragraph.

BE IT FURTHER RESOLVED that said financial institutions are hereby authorized and directed to honor and pay any checks, drafts, notes, or orders so drawn, whether such checks, drafts, notes or orders be payable to the order of any such person signing and/or countersigning said checks, drafts, notes, or orders, or any of such persons in their individual capacities or not, and whether such checks, drafts, notes, or orders are deposited to the individual credit of the person so signing and/or countersigning said checks, drafts, notes, or orders, or to the individual credit of any other officer or employee of Sangamon State University. This resolution shall continue in force and each of said financial institutions may consider the facts concerning the holders of said offices, respectively, and their signatures to be and continue as set forth in the certificate of the Secretary of the Board of Regents, accompanying a copy of this resolution when delivered to any of said financial institutions or in any similar subsequent certificate until written notice to the contrary is duly served on the financial institution in which the funds are deposited and withdrawn.

2. Nonindentured Reserves for Selected Local Funds

- (a) A request was submitted for approval of development reserves for the future planning and construction of on-campus parking facilities and student services facilities as detailed in the President's Report.
- (b) A request was submitted for approval of reserves for replacement of transportation equipment and printing and duplicating equipment, as detailed in the President's Report.

3. Personnel Transactions for Faculty and Other Employees

A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.

4. Contracts for Legal Services

Authority was requested for the University to contract as follows for legal services:

James M. Drake Springfield, Illinois	\$35 per hour plus out-of-pocket expenses
Hoffmann and Hoffmann Springfield, Illinois	\$35 per hour plus out-of-pocket expenses
Dow, Lohnes & Albertson Washington, D. C.	\$60 per hour plus out-of-pocket expenses

5. Purchases

A list of purchases for the month as included in the President's Report.

Commenting on his Report, Dr. Keiser directed the Board's attention to the requests for approval of nonindentured reserves for selected local funds. According to the Auditor General's guidelines, he said, we must deposit all but 1/12 of these funds unless there is an approved plan for their expenditure. There are four of them included in the Report, he said, beginning on page 6. The first involves the use of \$72,000 parking funds for the establishment of a parking lot for the proposed on-campus housing. The university indicated at the December 1977 meeting that it intended to do this. There is a further problem if this is not done and the money is deposited and reappropriated - they would be using appropriated funds for housing - and a promise has been made that this would not be done. He added that money for parking has never been included in the HUD financing, and they believe that this particular plan is in line with the Auditor General's intent, as well as being in line with previous expressions of intent on the part of the university.

Dr. Keiser noted that he had discussed the special change in assignment for Dr. Ronald Sutherland in executive session.

President Keiser called the Board's attention to item 10 in the Purchases Section relative to the Student Housing Lease for FY79. The new contract, he reported, is for \$150 per month for the same number of units, which represents an increase of \$4 per month and the length of the lease has been reduced from 12 to 9½ months, to better meet University requirements. He stated that the university will not exceed the \$25,000 reserve originally approved by the Board in March of 1974. Hopefully, he said, by the time this lease expires their on-campus housing will be available.

Dr. Martin moved for approval of the President's Report for Sangamon State University. The motion was seconded by Ms. Burns, and it carried unanimously.

Ms. Welander said she wished to publicly thank her constituents at Sangamon State for electing her to represent them on the Board of Regents. She added that she has always been proud and always will be proud to be a part of the community.

Northern Illinois University - President's Report

Before presenting his Report to the Board, President Monat called attention to the Report of the Select Committee to Investigate Ombudsman Search Procedures, which was requested by the Board at its September 1977 meeting. At that time the Board asked for a report on the procedures used in the recruitment and appointment of the Ombudsman. Prior to that Board meeting, the University Council had passed a resolution asking for a similar investigation. President Nelson had asked if it would be all right for one investigation to serve both requests, and the Board thought that this would be appropriate. Dr. Monat said the findings and recommendations of the Select Committee were contained in the report sent to the Board. He believes the report to be objective and candid. Given the time constraints and the fact that not everyone who had information agreed to appear, he said he thought the report does a commendable job.

Three addenda to the Purchases Section of the Report were distributed: Air Travel for NIU Marching Band; Contract Renewals for Preventive Maintenance and Disposal of Trash; and Blanket Property Insurance - Revenue Bond Facilities.

Dr. Monat advised that item B.3. on page 23 of the Purchases Section was being withdrawn from the Report (Elevator and Escalator Maintenance Service for 27 Buildings).

The President called attention to page 25 of the Purchases Section, item 5, and asked that corrections be made to indicate that the amount of the contract is \$3,100, and that the new total is \$20,600 (Disposal of Trash).

He noted that item 6 on page 34 of the Purchases Section was being withdrawn in view of earlier action by the Board (Legal Services).

Information reports were submitted on:

- University Press
- Publications Study
- Status of Undergraduate Admissions for Summer 1978 and Fall 1978
- Grants and Contracts (Research, Institutes, and Studies)
- Gifts to Northern Illinois University
- Gifts to Northern Illinois University Foundation
- Report on Ombudsman Search Procedure

The following items were then submitted for Board action:

1. Personnel transactions for faculty and other employees. A list of all

reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.

2. Permission was requested to make partial refunds of tuition and fees to Thomas Sidor in the amount of \$115.15; and to Terrence Creamer in the amount of \$66.00.
3. A list of purchases for the month as appended to the President's Report.
4. Capital Improvement Projects

a. Project Approval - Appropriated

East and West Heating Plants

Permission was requested to engage the services of Brown, Davis, Mullins & Associates, Inc., Engineers, Champaign, Illinois, to prepare a feasibility study and preliminary cost estimates for the modification of the East and West Heating Plants. The engineers will be compensated at a rate of \$30.00 per hour plus travel reimbursement, not to exceed \$1,000.

b. Project Approval - Non-Appropriated

Improvement and Expansion of Parking Lot P - Phase I

Authorization was requested to reserve funds for parking lot development and/or improvement. These funds plus income anticipated from FY79 parking revenues will permit completion of the FY79 portion of the ten-year parking lot program which had been furnished to the Board.

Permission was requested to engage Hampton Lenzini & Renwick, Consulting Engineers, DeKalb, to provide engineering services in connection with the development of Parking Lot P. Board of Regents Group I fee schedule will be applicable to this contract.

c. Contract Approval - Multiple Bids

Repair of Sidewalks - General Campus

A tabulation of bids received was presented with a recommendation that the low bid be accepted and a contract awarded to Walker Construction Company, DeKalb, in the amount of \$19,797. Payable from Appropriated Funds, Contractual Services.

Dr. Martin asked for a further explanation of the request for approval of a lease for property at 521 Locust Street. Dr. Monat explained that the university has been leasing space in DeKalb for ceramics and other requirements of the Department of Art. The price for this space doubled what the institution had been paying. The owner of the Locust Street property, Dr. White, happens to be a member of the Art Department, he said, but the opportunity to lease

the space came not from him, but from the Dean of the College of Visual and Performing Arts. This is contemplated as a one year arrangement, and the university can acquire the needed space for one-half the price. Mr. Winning said he had looked into the matter and he has no concern about the Board of Regents in this matter; however, as far as Dr. White is concerned, he might wish to review his position to determine if there is any conflict of interest involved.

Dr. Monat asked Vice President Smith to explain the addendum to the Purchases Section relative to the bids for Blanket Property Insurance for Revenue Bond Facilities. This is a bid that was taken as a Regency Bid, Dr. Smith stated, by Illinois State University, and through a lack of communication, ISU was not informed to include the rates for NIU in the ISU President's Report.

Mr. Resnik moved for approval of the President's Report for Northern Illinois University, as amended. The motion was seconded by Ms. Theobald, and it carried unanimously.

Mr. Murray noted that last month the Board had a matter involving the bid for health insurance at Northern which was approved contingent upon individual approval by Ms. Burns. He asked Ms. Burns to report to the Board on this.

Ms. Burns said this involved a situation in which 19 of 21 firms did not respond to the request for bids. The Board questioned whether the procedure had gone correctly, and why so many firms did not respond. As it turned out, she said, after the question was asked, all of the firms were contacted by telephone, and it was found that primarily they did not feel that they could provide the on-site claims office which they felt would cost approximately \$12,000 to \$15,000 a year and still maintain their margins profitably. She said she did not believe that the Board has reviewed as yet the Dunes Report to determine whether or not we do need this on-site claims office; but apparently that was a big feature of that Report. The bid for the insurance has now been approved, she reported.

Ms. Burns said last month the Board had some discussion about these kinds of situations and what it could do in terms of both bidding procedures and reporting procedures to assure that the Board has enough information to not only understand the situations, but also to assure the Board that we do have a competitive situation. She said she believes that Dr. Matsler was going to look into that for the Board.

Dr. Matsler reported that Mr. Freeman has been in touch with the purchasing officers on the campuses, and a little different format is being developed so that these matters will be brought to the Board in a way that they can be understood a little better. There has not been quite enough information provided to the Board in these instances, he said, but this will be corrected.

Illinois State University - President's Report

Before presenting his Report, President Watkins distributed copies of a Resolution authorizing land acquisition for expansion of parking facilities, which had been considered earlier by the Board in executive session.

Dr. Watkins advised that item 5 on page 3 of his Report should be deleted, inasmuch as the Capital Development Board has disqualified the low bidder on the general work for Phase IV of Felmley Hall Remodeling. Further information on this project will be submitted to the Board at the July meeting. In response to a question from Mr. Brady, Dr. Belshe advised that the reason for the disqualification was because it was discovered that the bonding power of the construction company was not adequate to cover this project in addition to other projects they had underway at the present time. Mrs. Suggs asked if this firm is a minority firm, perhaps a case where affirmative action should come into play. Dr. Belshe said he could not say, but could get the information from the CDB. This is not a contract entered into by the Board, he noted, but rather by the Capital Development Board.

Information reports were presented on:

- Publications Study
- Students
- Grants and Contracts (Research, Training, Service)

The following items were then presented for Board action:

1. Personnel transactions for faculty and administrative staff and for civil service employees. A list of all reported transactions is appended to the President's Report and will be kept on file at the University and in the Central Office.
2. A list of purchases for the month, as appended to the President's Report.
3. Capital Improvement Projects

Project Approval

- a. Air Condition South Campus Residence Halls - Phase II
Permission was requested to engage the engineering firm of Brown, Davis, Mullins & Associates of Champaign to design and prepare contract documents for the project. Permission was also requested to receive bids for the project. The project will be funded through Revenue Bond Series 1970-70A Rehabilitation and Development Reserve, at a total cost not to exceed \$966,395.
- b. Dunn-Barton East Exterior Entrance and Drive
Permission was requested to engage the architectural firm of Middleton Associates of Normal to design, prepare contract documents and receive bids for remodeling and renovation of the east exterior entrance, including stairs, porch, drive, and associated

construction. Total estimated cost of the project is \$195,000 including construction fees and contingency. Funds for the project are available from Bond Revenue Series 1970-70A Rehabilitation and Development Reserve.

c. Hewett-Manchester Remodeling

Permission was requested to design, prepare contract documents, and to receive bids for insulating the exterior walls of 126 student rooms. The estimated cost of the project is \$125,000, including fees and contingencies. Funds are available from Bond Revenue Series 1970-70A Rehabilitation and Development Reserve.

d. ISU Farm Machinery Storage Building

Permission was requested to design, prepare contract drawings, and receive bids for a new farm machinery storage building of approximately 7200 square feet. Total estimated cost of the project is \$45,000. Funds are available from the ISU Farm Operation Account.

4. Non-Recurring Items

a. Membership Agreement

Authorization was requested to enter into a membership agreement between the Mid-Illinois Computer Cooperative and the Illinois Educational Consortium. Membership will include computing services designed to meet the university's FY79 instructional and research needs at a total cost not to exceed \$84,841.

b. University Constitutional Amendment

Board approval was requested of an amendment to Article III, Section 6B, of the Illinois State University Constitution.

c. Authorization for International Studies

Permission was requested for the Office of International Studies to disburse up to \$425,000 during FY79 in connection with the Study Abroad Programs without obtaining specific advance authorization for each disbursement.

d. Students' Legal Services

Permission was requested by the Student Association to extend the present contract of Mr. John J. Pavlou as Director of the Students' Legal Services program for the month of July 1978 at the rate of \$1,458.33 per month, contingent upon the provision of the services required, other conditions of the contract, and availability of student fee funds.

Permission was also requested to extend the contract of Mr. John Tielsch as staff attorney in the Students' Legal Services program for the month of July 1978, at the monthly rate of \$1208.33, con-

tingent upon provision of the services required, other conditions of the contract, and the availability of student fee funds.

5. Acquisition of Land - Resolution

WHEREAS, the Board of Regents has reviewed a campus plan demonstrating the need for expansion of parking facilities; and

WHEREAS, implementation of said plan requires additional land in the central area of the campus; and

WHEREAS, a parcel of land is available to the University which would enable the University to expand its parking,

THEREFORE BE IT RESOLVED that the Board of Regents of the State of Illinois, acting for and on behalf of Illinois State University, does hereby authorize the President of Illinois State University to take such actions as may be reasonably necessary to obtain merchantable title to the following described property from the present owner of said property by warranty deed conveying the property to the Board of Regents for and on behalf of the people of the State of Illinois for consideration as shown:

The West 75 feet of Lot 1, Block 2 in the Normal 23rd Addition to the Town of Normal, McLean County, Illinois.

405 West Willow, Normal, McLean County, Illinois.

Amount of Consideration - \$40,000 (Forty Thousand Dollars)

FURTHER RESOLVED, that Illinois State University is authorized to expend said specified sum from Parking Reserves.

Referring to the capital improvement projects in the ISU President's Report, Mr. Shuman commented that the Board has regularly been approving sizeable construction and remodeling projects, as well as the initiation of construction projects; and it has been doing this rather casually without much discussion. He realizes that members of the Board are supposed to have read the reports prior to the meeting, but here we are deciding to spend \$900,000 to air-condition a residence hall, and while he is not opposed to the project, he just thinks that the Board is not giving enough attention to these capital improvements that seem to slide through pretty casually, even the spending of smaller amounts out of funds that have been accumulated.

Dr. Watkins stated that he had taken time to personally visit each of the projects requested on pages 1, 2 and 3 of his Report and, in fact, even had some photographs to show the deterioration of Dunn-Barton, for example, and also some pictures illustrating the type of light refraction units being proposed for Colby Hall. He had also inspected some of the rooms in Hewett-Manchester where panels are being installed.

Mr. Shuman said he is not questioning the specific projects. He asked Dr. Matsler what kind of a review Staff has given to these projects and to the architects.

In accordance with existing policy, Dr. Matsler said, Central Staff receives these projects at the time the Board does. It may be that we need a new policy. He said he agrees with Mr. Shuman, and one of the points brought out when these projects were reviewed by Staff was that there was not much information furnished on the air-conditioning project request. These are reviewed by Staff, however, and if there are any questions the institution is contacted immediately to make sure they are O.K. However, he added, it may be that because it is an air-conditioning project - a pretty straightforward kind of project - we know that it will go out to bid, and we know that it will have appropriate BHE approval, etc. It may be that the Board would want to establish some sort of cutoff figure so that projects beyond a certain amount might be given more attention in terms of justification and documentation to substantiate the requests. This might be one way of handling the problem, but at the present time, we do this on a very fast time schedule.

Mr. Shuman said he would think that we ought to have some definite procedure, not only on the project total, but also on the business of employing architects. He would like to think that we have some sort of protection against hiring a dud outfit that has been proven to be a dud by what it has done to us and other universities.

Dr. Matsler said we have a policy in the System that the institutions will conduct their own search for architects, and they do present the architects to the Board for approval. An alternative proposal could be that the Board might have a committee to do such things, or we might establish a procedure whereby there would be more participation by the Board or Staff. But we do have a list of architects that have been approved, architects that have worked well at the institutions. He does not know that it would be beneficial to have that extra activity on the part of the Board in the choice of the architects. When we are dealing with engineering firms that they have dealt with before, architects may have a political problem of their own in this area that they may be able to solve better than us. Dr. Matsler said he is not sure that we can improve on the policy.

Would it be advisable, Mr. Shuman asked, for the Staff to take a look at the procedure to see if it can make suggestions to the Board that might be helpful?

Dr. Matsler said Staff will be glad to do that at an early date and provide the Board with the procedures at the three institutions which are used in choosing architects, along with the criteria used.

Mr. Shuman asked that Staff also consider whether or not there should be a procedure whereby, beyond certain limits, projects like this come to the Board in advance.

Dr. Wellbank commented that the lowest bidder is not necessarily the best. This is something that always concerns him - there must be other criteria than dollars.

Ms. Theobald moved for approval of the President's Report for Illinois State University, as amended, and including the Resolution for land acquisition. The motion was seconded by Mr. Shuman, and it carried unanimously.

Dr. Watkins commended Ms. Theobald for being a good friend and a fine Regent during her tenure on the Board. He has really enjoyed working with her and she has made a major contribution during the first year of his presidency. He noted that he is also looking forward to working with her successor, Ms. Heidi Voorhees.

There being no further business before the Board, the meeting was declared adjourned. The next regularly scheduled meeting of the Board of Regents will be held on July 27, 1978 at Northern Illinois University, DeKalb, Illinois.

David E. Murray
Chairman

Franklin G. Matsler
Secretary

